

By Mr. CRAVENS: A bill (H. R. 26033) granting a patent to Mrs. J. W. Arms to certain lands; to the Committee on the Public Lands.

By Mr. CURLEY: A bill (H. R. 26034) for the relief of Joseph Manning; to the Committee on Claims.

By Mr. DANIEL A. DRISCOLL: A bill (H. R. 26035) granting a pension to Alice A. Noble; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 26036) granting a pension to George M. Anderson; to the Committee on Invalid Pensions.

By Mr. KINKEAD of New Jersey: A bill (H. R. 26037) granting an increase of pension to Joseph Bush; to the Committee on Invalid Pensions.

By Mr. PATTON of Pennsylvania: A bill (H. R. 26038) granting an increase of pension to Charles F. Heichtel; to the Committee on Invalid Pensions.

By Mr. PAYNE: A bill (H. R. 26039) granting a pension to Alice C. Kies; to the Committee on Invalid Pensions.

By Mr. SLOAN: A bill (H. R. 26040) for the relief of Charles G. Rouse; to the Committee on War Claims.

Also, a bill (H. R. 26041) granting a pension to Lydia A. Hibbard; to the Committee on Invalid Pensions.

By Mr. TALCOTT of New York: A bill (H. R. 26042) granting a pension to Leslie S. Livermore; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Petition of Washington Camp, No. 131, Patriotic Order Sons of America, favoring the passage of House bill 22527, for restriction of immigration; to the Committee on Immigration and Naturalization.

By Mr. CALDER: Petition of the Daughters of Liberty of Brooklyn, N. Y., favoring the passage of House bill 22527, for restriction of immigration; to the Committee on Immigration and Naturalization.

Also, petition of Photo Engravers' Union, No. 1, of New York, and of Humphrey's Homeopathic Medicine Co., of New York, protesting against the passage of the Bourne parcel-post bill (S. 6850); to the Committee on the Post Office and Post Roads.

By Mr. CANNON: Petition of St. Hedwig Society, No. 342, Kankakee, Ill., protesting against the passage of House bill 22527, for restriction of immigration; to the Committee on Immigration and Naturalization.

By Mr. FLOYD of Arkansas: Papers to accompany House bill 16235, for the relief of Gordon Stamps; to the Committee on Invalid Pensions.

By Mr. McDERMOTT: Petition of the Chicago Allied Printing Trades' Council and the Chicago Printed-Book Binders and Paper Cutters' Union, No. 8, International Brotherhood of Bookbinders, of Chicago, Ill., against passage of the Bourne parcel-post bill; to the Committee on the Post Office and Post Roads.

By Mr. MOTT: Petition of the Southern California Wholesale Grocers' Association, protesting against the coinage of the one-half cent pieces; to the Committee on Coinage, Weights, and Measures.

#### SENATE.

TUESDAY, July 30, 1912.

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. Ulysses G. B. Pierce, D. D., offered the following prayer:

Almighty God, our heavenly Father, as we stand before Thee to acknowledge Thy goodness and to ask Thy guidance we remember before Thee the nation whose people mourn the death of their Emperor. Their sorrow is our sorrow, as their loss is our loss, seeing that none of us liveth to himself and none of us dieth to himself, since we are members one of another. Uphold them, we pray Thee, by Thy gracious mercy, and hasten the time when all the peoples of the earth shall acknowledge Thee to be the Lord. And unto Thee, whose kingdom is an everlasting kingdom and whose dominion endureth throughout all generations, be glory and praise, now and forever more. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. Smoor and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the joint

resolution (S. J. Res. 122) providing for the payment of the expenses of the Senate in the impeachment trial of Robert W. Archbald.

The message also announced that the House had passed the bill (S. 5545) providing for the issuing of patent to entrymen for homesteads upon reclamation projects with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 18041) granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5145. An act authorizing the city of Hot Springs, Ark., to occupy and construct buildings for the use of the fire department of said city on lot No. 3, block No. 115, in the city of Hot Springs, Ark.;

H. R. 6735. An act to authorize the exchange with the Cocino Cattle Co. of lands within the Coconino National Forest;

H. R. 15509. An act to authorize the construction and maintenance of a sewer pipe upon and across the Fort Rodman Military Reservation, at New Bedford, Mass.;

H. R. 21888. An act providing for the sale of the United States unused post-office site at Perth Amboy, N. J.; and

H. R. 24266. An act to authorize the sale of burnt timber on the public domain.

#### ENROLLED JOINT RESOLUTION SIGNED.

The message further announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 100) authorizing the Secretary of the Interior to permit the continuation of coal mining operations on certain lands in Wyoming, and it was thereupon signed by the President pro tempore.

#### PETITIONS AND MEMORIALS.

Mr. FLETCHER presented resolutions adopted by the Board of Trade of St. Augustine, Fla., favoring the enactment of legislation providing that what is known as the powder-house lot, now abandoned for military purposes, be turned over to the city of St. Augustine as a public park and to be used for park purposes only, which were referred to the Committee on Military Affairs.

He also presented a memorial of the board of directors of the American Forestry Association, remonstrating against the adoption of a proposed amendment to the agricultural appropriation bill relative to the selection, classification, and segregation of all lands within the boundaries of national forests that are suitable for agricultural purposes, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted in behalf of the citrus growers of Florida, favoring a continuance of the work of the Department of Agriculture for the benefit of the citrus industry of that State, which were referred to the Committee on Agriculture and Forestry.

Mr. RAYNER presented a memorial of sundry citizens of Maryland, remonstrating against the passage of the so-called Bourne parcel-post bill, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of sundry citizens of Baltimore, Md., remonstrating against the passage of the so-called Owen bill or any similar medical legislation, which was ordered to lie on the table.

#### MISSISSIPPI RIVER BRIDGE AT SARTELL, MINN.

Mr. NELSON. From the Committee on Commerce I report back favorably with amendments the bill (S. 7209) to authorize the construction of a bridge across the Mississippi River at the town site of Sartell, Minn., and I submit a report (No. 990) thereon. I ask for the present consideration of the bill.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The amendments were, in line 3, to strike out "Sartell Bros. Co." and in lieu thereof to insert "village of Sartell, in the county of Stearns and State of Minnesota"; in the same line, before the word "corporation," to insert "municipal"; in lines 4 and 5, to strike out the words "its successors and assigns, be, and it"; and in line 5, after the word "hereby," to strike out the comma, so as to make the bill read:

Be it enacted, etc., That the village of Sartell, in the county of Stearns and State of Minnesota, a municipal corporation organized under the laws of the State of Minnesota, is hereby authorized to construct, maintain, and operate a wagon and foot bridge and approaches thereto across the Mississippi River, at a point suitable to the interests

of navigation, at the town site of Sartell, Stearns County, Minn., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

Sec. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MYERS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Montana suggests the absence of a quorum. The roll will be called.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Cummins	Martin, Va.	Smoot
Bacon	Fletcher	Martine, N. J.	Sutherland
Bailey	Gallinger	Massey	Swanson
Borah	Gronna	Myers	Thornton
Bourne	Heyburn	Nelson	Townsend
Bristow	Hitchcock	Overman	Warren
Burnham	Johnson, Me.	Page	Watson
Burton	Johnston, Ala.	Perkins	Wetmore
Chamberlain	Jones	Pomerene	Williams
Clapp	Kern	Rayner	Works
Crawford	Lippitt	Sanders	
Culberson	Lodge	Smith, Ga.	
Cullom	McLean	Smith, Mich.	

Mr. THORNTON. I announce the necessary absence of my colleague [Mr. FOSTER]. I ask that this announcement may stand for the day.

Mr. WATSON. My colleague [Mr. CHILTON] is absent on account of illness.

Mr. ASHURST. My colleague [Mr. SMITH of Arizona] is unexpectedly and unavoidably detained from the Chamber on important public business.

The PRESIDENT pro tempore. Forty-nine Senators have answered to their names. A quorum of the Senate is present. Are there further reports of committees?

#### ANNA LAGUEE.

Mr. JONES, from the Committee on Claims, to which was referred the bill (S. 2637) for the relief of Anna Laguee, reported it with an amendment and submitted a report (No. 991) thereon.

#### BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 7391) granting a pension to Sarah E. Hood; to the Committee on Pensions.

By Mr. SHIVELY:

A bill (S. 7392) to prescribe the method by which the terms of service shall be computed under the act of May 11, 1912, entitled "An act granting pensions to certain enlisted men, soldiers and officers, who served in the Civil War and the War with Mexico"; to the Committee on Pensions.

By Mr. LODGE:

A bill (S. 7393) granting a pension to Cornelius A. Ahearne (with accompanying papers); to the Committee on Pensions.

#### AMENDMENTS TO DEFICIENCY APPROPRIATION BILL.

Mr. HEYBURN submitted an amendment proposing to pay to former employees of the Forest Service and certain other persons named an amount recommended by the Secretary of Agriculture for injuries incurred in and losses resulting from fighting forest fires in 1910, etc., intended to be proposed by him to the general deficiency appropriation bill (H. R. 25970), which was referred to the Committee on Appropriations and ordered to be printed.

He also submitted an amendment proposing to pay E. C. Talbot \$750, Addison T. Smith \$500, and J. K. White \$150 for services rendered the Committee on Privileges and Elections, etc., intended to be proposed by him to the general deficiency appropriation bill (H. R. 25970), which was referred to the Committee on Privileges and Elections and ordered to be printed.

#### OMNIBUS CLAIMS BILL.

Mr. GALLINGER submitted an amendment intended to be proposed by him to the bill (H. R. 19115) making appropriations for payment of certain claims in accordance with findings of the Court of Claims, reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and the Tucker Acts, which was ordered to be printed and, with the accompanying papers, ordered to lie on the table.

Mr. SMOOT (for Mr. RICHARDSON) submitted an amendment intended to be proposed to the bill (H. R. 19115) making appropriation for payment of certain claims in accordance with find-

ings of the Court of Claims, reported under the provisions of the acts approved March 3, 1883, and March 3, 1887, and commonly known as the Bowman and the Tucker Acts, which was ordered to lie on the table and be printed.

LIEUT. EDWARD L. KEYES.

Mr. WILLIAMS submitted the following resolution (S. Res. 370), which was read and referred to the Committee on Military Affairs:

Whereas it is charged that the court-martial by which Lieut. Edward L. Keyes was tried was illegally constituted and was void of jurisdiction;

and

Whereas the testimony adduced at this trial was conflicting and insufficient to substantiate the charge; and

Whereas the President of the United States has not the power to convene a board of officers to examine into this case: Therefore be it

Resolved, That the Committee on Military Affairs of the Senate is hereby directed to examine into the trial of said Lieut. Keyes, sending for him to appear before the committee, and to summons such witnesses as it may deem necessary, with a view to authorizing the President to restore said Keyes to the service and place him on the retired list of the Army as a captain of Cavalry.

#### PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, executive clerk, announced that the President had, on July 30, 1912, approved and signed the following acts:

S. 5623. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors;

S. 6340. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and certain widows and dependent relatives of such soldiers and sailors; and

S. 6978. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

#### HOMESTEADS UPON RECLAMATION PROJECTS.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 5545) providing for the issuing of patent to entrymen for homesteads upon reclamation projects, which were to strike out all after the enacting clause and insert:

That any homestead entryman under the act of June 17, 1902, known as the reclamation act, including entrymen on ceded Indian lands, may, at any time after having complied with the provisions of law applicable to such lands as to residence, reclamation and cultivation, submit proof of such residence, reclamation and cultivation, which proof, if found regular and satisfactory, shall entitle the entryman to a patent, and all purchasers of water-right certificates on reclamation projects shall be entitled to a final water-right certificate upon proof of the cultivation and reclamation of the land to which the certificate applies, to the extent required by the reclamation act for homestead entrymen: *Provided*, That no such patent or certificate shall issue until all sums due the United States on account of such land or water right at the time of issuance of patent or certificate have been paid.

Sec. 2. That every patent and water-right certificate issued under this act shall expressly reserve to the United States a prior lien on the land patented or for which water right is certified, together with all water rights appurtenant or belonging thereto, superior to all other liens, claims or demands whatsoever for the payment of all sums due or to become due to the United States or its successors in control of the irrigation project in connection with such lands and water rights.

Upon default of payment of any amount so due title to the land shall pass to the United States free of all encumbrance, subject to the right of the defaulting debtor or any mortgagee, lien holder, judgment debtor, or subsequent purchaser to redeem the land within one year after the notice of such default shall have been given by payment of all moneys due, with 8 per cent interest and cost. And the United States, at its option, acting through the Secretary of the Interior, may cause land to be sold at any time after such failure to redeem, and from the proceeds of the sale there shall be paid into the reclamation fund all moneys due, with interest as herein provided, and costs. The balance of the proceeds, if any, shall be the property of the defaulting debtor or his assignee: *Provided*, That in case of sale after failure to redeem under this section the United States shall be authorized to bid in such land at not more than the amount in default, including interest and costs.

Sec. 3. That upon full and final payment being made of all amounts due on account of the building and betterment charges to the United States or its successors in control of the project, the United States or its successors, as the case may be, shall issue upon request a certificate certifying that payment of the building and betterment charges in full has been made and that the lien upon the land has been so far satisfied and is no longer of any force or effect except the lien for annual charges for operation and maintenance: *Provided*, That no person shall at any one time or in any manner, except as hereinafter otherwise provided, acquire, own, or hold irrigable land for which entry or water-right application shall have been made under the said reclamation act of June 17, 1902, and acts supplementary thereto and amendatory thereof, before final payment in full of all installments of building and betterment charges shall have been made on account of such land in excess of one farm unit as fixed by the Secretary of the Interior as the limit of area per entry of public land or per single ownership of private land for which a water right may be purchased, respectively, nor in any case in excess of 160 acres, nor shall water be furnished under said acts nor a water right sold or recognized for



such excess; but any such excess land acquired at any time in good faith by descent, by will, or by foreclosure of any lien may be held for two years and no longer after its acquisition; and every excess holding prohibited as aforesaid shall be forfeited to the United States by proceedings instituted by the Attorney General for that purpose in any court of competent jurisdiction; and this proviso shall be recited in every patent and water-right certificate issued by the United States under the provisions of this act.

SEC. 4. That the Secretary of the Interior is hereby authorized to designate such bonded fiscal agents or officers of the Reclamation Service as he may deem advisable on each reclamation project, to whom shall be paid all sums due on reclamation entries or water rights, and the officials so designated shall keep a record for the information of the public of the sums paid and the amount due at any time on account of any entry made or water right purchased under the reclamation act; and the Secretary of the Interior shall make provision for furnishing copies of duly authenticated records of entries upon payment of reasonable fees, which copies shall be admissible in evidence, as are copies authenticated under section 888 of the Revised Statutes.

SEC. 5. That jurisdiction of this act is hereby conferred on the United States district courts of the districts in which the lands are situated, and to amend the title so as to read: "An act providing for patents on reclamation entries, and for other purposes."

Mr. BORAH. I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

#### HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Public Lands:

H. R. 5145. An act authorizing the city of Hot Springs, Ark., to occupy and construct buildings for the use of the fire department of said city on lot No. 3, block No. 115, in the city of Hot Springs, Ark.;

H. R. 6735. An act to authorize the exchange with the Cocino Cattle Co. of lands within the Coconino National Forest; and

H. R. 24266. An act to authorize the sale of burnt timber on the public domain.

H. R. 15509. An act to authorize the construction and maintenance of a sewer pipe upon and across the Fort Rodman Military Reservation at New Bedford, Mass., was read twice by its title and referred to the Committee on Military Affairs.

H. R. 21888. An act providing for the sale of the United States unused post-office site at Perth Amboy, N. J., was read twice by its title and referred to the Committee on Public Buildings and Grounds.

#### CORBETT TUNNEL, WYO.—VETO MESSAGE.

The PRESIDENT pro tempore. The morning business is closed.

Mr. MYERS. If the President pro tempore will withhold that announcement, I ask that Senate bill 4862, and the President's veto thereof, be laid before the Senate for consideration.

The PRESIDENT pro tempore. The Senator from Montana asks unanimous consent for the consideration of the bill (S. 4862) for the relief of certain persons having supplied labor and materials for the prosecution of the work of constructing the Corbett Tunnel of the Shoshone irrigation project, and the veto message of the President. Is there objection? The Chair hears none. The bill is before the Senate, and the question is, Shall the bill pass, the objections of the President to the contrary notwithstanding?

Mr. LODGE. I ask that the message of the President be read.

The PRESIDENT pro tempore. The message will be read.

The SECRETARY read the President's message as follows:

To the Senate:

For the reasons stated in the letter of July 12 of the Secretary of the Interior, which accompanies this message, I return without approval Senate bill 4862, entitled "An act for the relief of certain persons having supplied labor and materials for the prosecution of the work of constructing the Corbett Tunnel of the Shoshone irrigation project."

I do this because I think this legislation is of retroactive character and imposes on certain of the reclamation settlers an additional burden over and above the contract price of the work done, increasing that price by a double payment of part of what was due under the contract from the reclamation fund to the principal contractors. At the time when the work was begun and continued there was no law which relieved the subcontractor or the material man from the necessity of looking after the collection of what the contractor owed him or which imposed on the Government or the reclamation authorities the duty of seeing to it that the money paid under the principal contract was used by the principal contractor to pay his subcontractors or material men. To require that this additional amount should now be included in the assessment upon the lands is by law to increase a contract burden by a change of the character of the liability after it has been assumed and fixed. This is retroactive and is legislation in its nature unjust to the reclamation settlers.

WM. H. TAFT.

THE WHITE HOUSE, July 18, 1912.

Mr. SMOOT. I also ask that, in connection with the veto message, the letter dated July 12, 1912, from the Secretary of the Interior be read.

The PRESIDENT pro tempore. Without objection, the letter from the Secretary of the Interior will be read.

The Secretary read the letter, as follows:

DEPARTMENT OF THE INTERIOR,  
Washington, July 12, 1912.

MY DEAR MR. PRESIDENT: In reply to that portion of Mr. Hilles's letter of July 8, requesting information whether there is any objection to your approving S. 4862, "An act for the relief of certain persons having supplied labor and materials for the prosecution of the work of constructing the Corbett Tunnel of the Shoshone irrigation project":

The contractor for the construction of the Corbett Tunnel failed to comply with his contract, whereupon the work was completed by the United States through the Reclamation Service. Suits were begun by the United States on the contract and bond in the district of Montana, and to enforce a lien on the construction equipment in the district of Wyoming. In the latter suit a cross bill was filed by the concern that sold a portion of the equipment to the contractor. A tentative agreement for a settlement has been reached by the representatives of the bondsmen and of this department. The Department of Justice, however, holds that the settlement should be conditional upon the settlement of the Wyoming cross suit at the same time, and my latest advice is that none of the suits have yet been dismissed. The terms of settlement tentatively agreed upon included the payment of \$42,000 by the bondsmen to the Government. This is only a fraction of the Government's claim, but is the most that it seems possible to recover.

The pending bill as originally introduced would have directed the Secretary of the Interior to ascertain and pay the laborers and material men's claims outright. As it now reads it gives the laborers and material men priority in recourse to the bondsmen over the claims of the Government. This reverses the existing rule of priority and returns to that prevailing before the act of February 24, 1905 (ch. 778, 33 Stat., 811).

The proponents of the bill cite the act of March 4, 1911 (36 Stat., 1170), as a precedent. That act reversed priorities on the Belle Fourche as is now proposed for the Shoshone project. On the Belle Fourche project the contract was advertised before the rule of priority was changed by the act of 1905, though actually let thereafter. The pending bill would reverse the rule of priority although the contract was advertised several months after the rule of priority was changed by statute.

If the bill becomes a law, it will bring to naught the work done in instituting the suit and in protracted negotiations for settlement. The precedent will probably be followed in future cases with the result that the Government's security will be of little value in any case. I am of the opinion that reasonable security for the claims of laborers and material men should be given by the Government's withholding payment on the contract during a time fixed for the filing of notice of such claims, payment thereafter to be made to the contractor or claimant as may be ordered by the proper court. This would require general legislation.

The bill properly provides that the United States shall not be involved by it in any expense. The laborers and claimants who seek relief through the pending bill have suffered undoubted hardship. The effect of the proposed statute would be to shift that hardship to such water users on the Shoshone reclamation project, or the part of it served by the Corbett Tunnel, as hereafter settle upon the public lands or initiate irrigation on the private lands under the project. The Director of the Reclamation Service reports that there are approximately 150,000 acres of irrigable land in the whole project, of which but a small proportion is private or State land; that there are approximately 80,000 irrigable acres which will be served by the Corbett Tunnel, but that the expense of the tunnel has been charged upon the whole project and not merely upon the 80,000 acres; that about 22,000 acres are covered by existing water-right contracts with entrymen and private owners; and that about 12,000 acres are subject to existing public notices fixing the price of water rights to settlers who shall hereafter make entry, or private owners who shall hereafter contract for water from the project.

As to the 22,000 acres: The existing contracts, so long as they are fulfilled by the water users, are binding upon the United States. This fact precludes the shifting of any of the burden from the laborers and material men to water users on said 22,000 acres. As to the 12,000 acres: The department could cancel existing public notices and charge upon this 12,000 acres, together with other lands for which the price of water rights has not yet been fixed by any public notice, the expense of the proposed relief to the laborers and material men. To ascertain the area upon which this burden (\$42,000) could be charged it is therefore necessary to subtract either 22,000 acres or 34,000 acres from the total irrigable acreage (150,000) of the project, or from the irrigable acreage (80,000) which will be served by the tunnel. The result would be a maximum charge of about 91 cents per acre and a minimum charge of about 33 cents. Since the director reports the average holding to be 60 acres, this would be a maximum burden of \$54.60 and a minimum burden of \$19.80 on each farmer (average).

The chief engineer of the Reclamation Service advises me that the water-right charge already imposed and to be imposed upon the lands in the project is, in view of the nature and value of the lands, now at the maximum of safety, and that the addition which the pending bill would render necessary would be a heavy burden upon all future settlers and water-right contractors and would seriously jeopardize the success of the project. Under these circumstances I am reluctantly compelled to advise that the bill should not receive your approval. If the lands of the project were able to bear the additional charge I would be gladly advise otherwise.

Very respectfully,

WALTER L. FISHER,  
Secretary.

The PRESIDENT,  
The White House.

Mr. MYERS obtained the floor.

Mr. WORKS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from California?

Mr. MYERS. Certainly.

Mr. WORKS. Mr. President, I do not remember the provisions of this bill, and am not able to judge of its legal effect. I understand it is quite short, and therefore I should like to have it read.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate, as requested by the Senator from California.

The Secretary read the bill, as follows:

A bill (S. 4862) for the relief of certain persons having supplied labor and materials for the prosecution of the work of constructing the Corbett Tunnel of the Shoshone irrigation project.

*Be it enacted, etc.,* That all persons having supplied labor or materials for the prosecution of the work of constructing the Corbett Tunnel as a part of the Shoshone irrigation project in the State of Wyoming, under any contract or contracts let for that purpose by the Government of the United States, and their assigns and legal representatives, are hereby given the full rights and remedies awarded to persons supplying labor and materials in the prosecution of public works, as set forth in the act of August 13, 1894, entitled "An act for the protection of persons furnishing materials and labor for the construction of public works," to the same force, extent, and effect as if the act had not been amended, modified, or repealed, with full right of action in the name of the United States for his or their use and benefit against any contractor or contractors and their sureties upon any bond or bonds furnished to the United States under any such contract: *Provided*, That no action prosecuted under this act shall involve the United States in any expense.

Mr. MYERS. Mr. President, I will take the liberty of submitting to the Senate a statement of this matter. I want to present all sides of it and all the facts in the case, so that the Senate may have a full knowledge in the premises. Even though the matter is of minor importance, relatively, I do not want any Senator to vote on this question without a full history of the matter and a full understanding of the facts. It is, of course, a matter of some moment to vote to pass a measure over the President's veto; but it is also a matter of some moment for this body to recede from a position it has heretofore unanimously taken, simply because one man differs in opinion from the stand the Senate has taken.

This bill was introduced by my colleague [Mr. Dixon], and yet I have been, I believe, from the beginning as fully conversant with the facts and details as has he. I have cooperated with him from the beginning in furthering the interests of this bill, being impressed, just as fully as he could possibly be or as any other person could possibly be, with the merits of the proposition, and my zeal in support of the measure is just as great as though I had originally introduced the bill. To me it is a matter of no moment or consequence who is the author of a bill; the considerations which to me are of moment and consequence are the facts and merits of the case.

On September 27, 1905, the Secretary of the Interior awarded a contract to Charles Spear, of Billings, Mont., for the construction of the Corbett Tunnel, in connection with the Shoshone irrigation project. This contract was by Spear sublet to the Western Construction Co. In the following summer both the contractor, Spear, and the subcontractor failed financially, and on August 4, 1906, the contract, according to its provisions, was suspended, and the Reclamation Service thereafter completed the work.

The claims to which this bill relates are claims for labor and material, furnished the subcontractor, the Western Construction Co. The contract price for this work was, I believe, \$750,000. A bond of \$75,000 was exacted of the contractor by the Government, a bond which, it appears to me, was entirely insufficient and inadequate; in fact, subsequent developments have absolutely proven that the bond was wholly inadequate and insufficient, and I believe the Government officials were derelict in duty in not requiring a larger bond for the performance of that work. Subsequent developments also show that the contractor took the work at entirely too low a price. He took it upon estimates furnished him by the Government officials, as to the nature of the material he would have to handle and the nature of the work he would have to do; and, acting on these facts furnished by the Government, he took the contract at too low a figure and failed. That was the reason of the failure of the contractor and the subcontractor.

During the existence of the contract, while the work was being carried on under the subcontractor, certain people in Montana, small tradesmen, storekeepers, and shopkeepers, and small dealers of limited means, knowing that this was a Government contract, relying upon the fact that a bond had been given for the faithful performance of the work, knowing that they were, in a way, dealing with the Government, and feeling that they were absolutely safe, furnished a quantity of supplies and material for the subcontractor—lumber, hay, provisions, groceries, and such things. Some of them also cashed time checks issued by the subcontractor to the laborers for their labor. That was done in the usual course of business; it is a common practice in the West and all over the country; and the time checks issued to a laborer by a contractor who is operating for the Government and under bond are certainly supposed to be good.

The presumption is that they are good; and many such time checks were cashed. So the money of these small dealers and tradesmen was paid out to laborers who were in the employ of the subcontractor on this Government work.

The situs of this contract, the place where the work was done, was in the State of Wyoming, and the people who furnished the supplies and paid out this money on the strength of the credit of the Government live in both Montana and Wyoming—some live in Montana, others live in Wyoming; but the work was done in Wyoming. When the contractor failed there were outstanding about \$42,000 of obligations to small tradesmen and dealers in Montana and Wyoming for supplies and money furnished. Those people were left holding an indebtedness of \$42,000.

In 1894 Congress enacted a law to govern such transactions as this. It was long in force; for many years it was the prevailing law. That act of August 13, 1894, was for the regulation of Government contracts. It provided among other things:

That such contractor or contractors shall promptly make payment to all persons supplying him or them labor and materials in the prosecution of the work; and a condition to this effect shall be incorporated in the bond to be given by the contractor.

Here is the gist of this matter—and it is very important in this transaction:

Persons supplying such labor and materials shall have a right of action, and shall be authorized to bring suit in the name of the United States for his or their use and benefit against such contractor and sureties and to prosecute the same to final judgment and execution: *Provided*, That such action and its prosecutions shall involve the United States in no expense.

Under that law of 1894 people who furnished money or supplies to the contractors were given the first right to sue on any bond given by the contractor for the recovery of what might be due them. They were given a prior right to the United States Government; that is, they had the first right to sue on the bonds, to avail themselves of its benefits, and to recoup themselves out of the bond for any losses they might have sustained. By the act of 1894 creditors were given the first right.

In 1905 the law of 1894 was repealed by Congress, and the prior right of creditors to sue on the contractor's bond was repealed; so that, from and after the passage of the act of 1905, creditors did not have the first right to avail themselves of the benefits of the bond.

The bill vetoed by the President, as originally introduced in the Senate, provided that the Secretary of the Interior should be authorized and directed to hear evidence as to the losses of these creditors and to permit them to establish and make proof of their claims before him.

As I say, this bill originally provided that these creditors might make proof of their claims and establish the amount of their claims before the Secretary of the Interior, and he was thereupon ordered to find the amount of money due to each one, and the bill provided that they should be paid out of the reclamation fund. In that shape the bill unanimously passed this body.

When it was introduced it was referred to the Senate Committee on Irrigation and Reclamation of Arid Lands. There were several hearings had before that committee. The matter was fully investigated and exploited. It was gone into fully and discussed fully, and the objections of the Secretary of the Interior to giving these people any relief were communicated to that committee.

As a matter of fact, the people who held these claims had first applied to the Interior Department for relief and to have the money due them paid to them. They were advised by the officials of that department that the Interior Department had no power to grant them any relief, and they were advised by the Interior Department that the only relief was through the introduction of a bill in Congress; and that remedy was suggested by the Interior Department.

Then, when the bill was introduced, the Interior Department opposed its passage. The bill, as is usual, was referred by the Senate committee to the Interior Department, and the objections of the Interior Department were communicated to the committee. But, after several conferences, a quorum of the committee, a majority of the committee present and acting, unanimously reported the bill favorably to this body. Of course, all the members of the committee were not present; and those Senators who did not join in the report are not bound by it; nor are those who did, if they now see the facts in a different light. But a quorum of the committee unanimously recommended the bill to this body for passage, and the bill unanimously passed this body.

Then it went to the House and was referred to the House Committee on Irrigation and Reclamation, and several hearings were had before the House committee, some of which I attended, and the bill was discussed thoroughly before that committee, and the objections of the Interior Department to the bill were made known to the House committee. That is a large committee, having, I think, not less than 20 members, and all but 3 of them united in recommending to the House the passage



of the bill with an amendment, which puts it in its present form. Three joined in a minority report. But a large majority of the committee, after thoroughly discussing and clearly understanding the matter, in every phase and light, reported that as amended the bill be passed by the House.

So it was passed by the House with practical unanimity, I understand. There may have been a few dissenting votes, but it was practically unanimous, and it came to this body, and the Senate unanimously concurred in the House amendment and made the bill, so far as it is in the power of Congress, a law, in its present form.

Mr. CHAMBERLAIN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Oregon?

Mr. MYERS. Certainly.

Mr. CHAMBERLAIN. Is it not a fact, may I ask the Senator, that there is not a single suggestion made in the letter of the Secretary of the Interior that was not embraced in the protest of the Secretary of the Interior to the committee, and is not the President's veto, as a matter of fact, based entirely upon the protest which was fully examined and investigated by the committee?

Mr. MYERS. Yes. That is my understanding of the matter. The Interior Department sent several communications to the House and Senate committees. I think the facts are as stated by the Senator from Oregon.

The bill as it now stands merely authorizes these creditors to avail themselves of what were the provisions of the act of 1894. It simply puts them in the position that they would be if the act of 1894 had not been repealed. That is—

Mr. CRAWFORD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from South Dakota?

Mr. MYERS. With pleasure.

Mr. CRAWFORD. The act of 1894 gave the right to a lien upon irrigation projects and provided it might be charged up to the settler?

Mr. MYERS. Yes.

Mr. CRAWFORD. I do not understand—

Mr. MYERS. I am going to reach that in a few moments.

Mr. CRAWFORD. I did not understand the Senator to say that.

Mr. SMOOT. I think the Senator from Montana has gone too far in his statement.

Mr. MYERS. How is that?

Mr. SMOOT. That the law of 1894 gives a right to a lien on a reclamation project. It gives a right of lien upon the bondsmen for the contractor.

Mr. MYERS. That remark about the lien was interjected by the Senator from South Dakota and did not emanate from me.

Mr. SMOOT. The Senator from Montana answered in the affirmative, and I just wanted to call his attention to the fact—

Mr. MYERS. I want to be set right.

Mr. CRAWFORD. I want to know whether under the act of 1894 the losses of these material men and subcontractors could be charged up so that the settler on the reclamation project would have to pay for them?

Mr. MYERS. I think so.

Mr. SMOOT. No, Mr. President; under the law it could not be charged to the settler on the reclamation project.

Mr. CRAWFORD. This bill does provide that the settler shall pay an additional amount, and it must finally come out of the settler.

Mr. SMOOT. If the money is paid to relieve the people who furnished the material, then it finally comes out of the settler under the bill vetoed, but under the law of 1894 such could not be the case. It is true a lien could be enforced against the bondsmen of the contractor.

Mr. CLAPP. Is not the Senator from Utah partly right and possibly partly wrong? Of course, the remedy of the laboring man under the law of 1894—

Mr. SMOOT. Of 1894—

Mr. CLAPP. Was against the bond.

Mr. SMOOT. Yes. The law of 1905 took that away in part by providing the lien of the Government should be given preference ahead of any lien.

Mr. CLAPP. I am not asking this question as a matter of controversy. The Senator may be right. But under the old law, although the laborer's remedy went to the bond, was or was it not true that the Government could charge the final cost to the irrigation of the land?

Mr. SMOOT. No, Mr. President.

Mr. CLAPP. I am asking for information.

Mr. SMOOT. No; the Government could not. The Government could only charge against the land the actual contract price.

Mr. CLAPP. Is the Senator sure of that?

Mr. SMOOT. I am positive.

Mr. CLAPP. I am not asking these questions for any purpose of controversy.

Mr. JONES. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Washington?

Mr. MYERS. Certainly.

Mr. JONES. I think the Senator from Utah is a little bit mistaken. The purpose of this bill was to place these people's claims ahead of the Government's on the bond, and the bill itself does not by its terms impose upon the land what it seeks to recover.

But if the Government fails to recover what it has to expend to complete the project, possibly that cost would be assessed against the land and the settler would have to pay it.

Mr. SMOOT. I think the Senator—

The PRESIDENT pro tempore. Senators will kindly get, through the Chair, permission of the Senator entitled to the floor. Does the Senator from Montana yield to the Senator from Utah?

Mr. MYERS. Certainly.

Mr. SMOOT. I think the Senator will agree with me that if this bill passes and the \$42,000 is received from the bondsmen by the people who furnished the materials, then the \$42,000 must be charged to the entryman on the reclamation project.

Mr. BORAH. Mr. President, so far as I am concerned, representing a State greatly interested in this proposition, I do not propose to concede that extra expenses due to the mistakes and derelictions of duty upon the part of the department shall be charged up to the settlers. If the Government failed to take a bond which was sufficient to protect the situation, the settlers should not pay for that proposition. The settler neither in good conscience nor in law should pay for anything other than actual cost under a reasonable and proper administration of the law.

Mr. SMOOT. The \$42,000 of which we are speaking, as I understand it, is a compromise on the bond of \$75,000, and the Government is to receive \$42,000, and if the Government finally receives the \$42,000 it will be credited to the reclamation project, but if the Government does not receive the \$42,000, then the settlers on the reclamation project must pay that amount of money.

The contractors took a contract to complete the reclamation project for \$750,000. They failed in carrying out the contract. They were paid by the Government for all the work done and material furnished up to the time of their failure, and then the Government had to step in and finish the project. Of course it cost more because of the extra cost to the contractor as well as the Government in starting the work. As the Senator well knows, in every project the starting is very expensive, and all that was lost in so doing was charged to the project, and then when the contractors failed the Government had to get together a force of workmen to begin work again, with an extra cost in so doing.

Mr. OVERMAN. Will the Senator let me ask him a question?

Mr. SMOOT. Certainly.

Mr. OVERMAN. Is it not a fact that the contractors bid too low?

Mr. SMOOT. That, of course, I can not say. Evidently they did, because it cost the Government, when it completed the work, \$180,000 more than the contract price, but how much I can not say, as all of the expense that was entailed in starting the work by the contractor was charged to the cost of the project as well as the extra expense to the Government in getting the work again started after the contractor had failed.

Mr. OVERMAN. Is it not true that the Government misled the contractor?

Mr. CHAMBERLAIN rose.

The PRESIDENT pro tempore. Senators will please address the Chair. To whom does the Senator from Montana yield?

Mr. MYERS. I yield to the Senator from North Carolina and then to the Senator from Oregon.

Mr. OVERMAN. I want to ask that question which I proposed to the Senator—whether or not the Government in making out its estimates and defining the kind of material to be taken out misled the contractors, and whether the material taken out was a different quality of material from that which the Government laid before him as the material to be taken out?

Mr. SMOOT. I do not believe for a minute that the contractors would have made a contract without going over every foot of the work. They knew what they were bidding on. They knew exactly what they were expected to do.

Mr. CHAMBERLAIN. Mr. President—

Mr. MYERS. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. I wish to say that I have been on the ground; I saw this tunnel in the Shoshone reclamation project; and it is a fact that these contractors were misled largely by the representation of the Government officials who went there and made tests of excavations and tests of the tunnel, and the contractor relied very largely upon the report of the Government engineers.

Mr. President, if I may be permitted, I will state that this is another case where the department undertook to do the legislating. This matter had been fully examined by both the committees of the House and Senate. They had before them the protest of the Secretary of the Interior, and went into an examination of it and made a report on it. Having failed in their efforts to induce the Irrigation Committees of the House and Senate to legislate in accordance with their wishes, they then made the same protest to the President, after both bodies of Congress had acted on the bill.

The President himself in his veto message says expressly that he bases his veto upon the letter he received from the Secretary of the Interior. If there ever was a strong and meritorious case where people had advanced money to the laborers and furnished money to pay for materials which were bought, this is such a case, and I question, as the Senator from Idaho does, the right of the Government to charge this up against the settlers within the irrigation project and make it a charge against them.

Mr. CRAWFORD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from South Dakota?

Mr. MYERS. I do.

Mr. CRAWFORD. This is the particular point upon which I want to hear an explanation. If this were a proposition involving only the Government and the expenditure of its funds to make good the loss of these laborers and subcontractors, because the Government may have been at fault, that is one thing. If this bill is what the Secretary of the Interior seems to say it is, and what the President appears to say it is, it does not intend that this shall simply be a payment of money by the Government out of its Treasury to make good some loss that has been sustained through its laws, but it is a proposal to transfer that loss from these laborers and material men to the settlers upon this reclamation project. The President apparently has had it figured out and finds out how much it will add to the cost of each one of these entrymen, nineteen dollars and some cents in one instance and fifty-odd dollars in another.

Now, if this bill has any such effect as that, and if the loss to these material men, who, as compared with the entrymen, should have looked out for themselves somewhat, is to be transferred to the shoulders of the entrymen, I for one think the veto rests on very good grounds. I want to understand whether or not this bill does commit the shifting of this burden to the entrymen.

Mr. MYERS. I will explain that.

Mr. WILLIAMS. Will the Senator yield to me for a moment?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Mississippi?

Mr. MYERS. I do.

Mr. WILLIAMS. Is not what the Senator from South Dakota calls the loss merely an assessment of the true cost? He talks about transferring the loss to the settler. Is it not merely assessing them with the true cost, even if it should be an assessment against them, which seems to be denied?

Mr. CRAWFORD. I will say to the Senator from Mississippi I have lived in the West long enough and I have been close enough to the burdens borne by the men who are struggling not only upon homesteads elsewhere, but in these reclamation projects, to protest absolutely and as earnestly as I know how against the addition of any burdens upon them.

Mr. WILLIAMS. If the Senator will pardon me, I wish to say that I join the Senator from South Dakota in that. I would not put any additional burdens upon them, but I understand the whole irrigation scheme, all this reclamation work, is based upon the idea that the land reclaimed shall bear the cost of the work. Now, then, if the true cost of this work be  $x$  plus 20 and  $x$  only has been paid, and this difference has been brought about largely by the fault of the Government in the survey of the character of the soil, and in its reports of what that soil was, is it quite fair to call it a transfer of a loss?

Mr. CRAWFORD, Mr. SMOOT, and others addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Montana yield? Four Senators are asking for recognition.

Mr. MYERS. I yield to the Senator from South Dakota and then to the Senator from Utah.

Mr. CLAPP. Will the Senator from South Dakota yield until I make a suggestion?

Mr. CRAWFORD. I am going to make merely a suggestion, and I would have been through if let alone.

Mr. CLAPP. The bill in express terms limits the remedy, and it will be the remedy provided by the law of 1894 which is limited to a suit on bonds.

Mr. MYERS. Certainly, it does.

Mr. CRAWFORD. There is no question about that.

Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield further to the Senator from South Dakota?

Mr. MYERS. I yield to the Senator from South Dakota.

Mr. CRAWFORD. I merely want to say in answer to the Senator from Mississippi that I have heard nothing here that satisfies me that this is a mere question of a legitimate cost that should be assessed against this project. It cost the Government more to take up the work, after the bond was paid, and carry it on, but it does not necessarily follow that because that was the fact the amount is in excess of the reasonable cost of the project, as it would have been incurred had these men acted in good faith.

Mr. SMOOT and others addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Montana yield?

Mr. MYERS. I yield to the Senator from Utah.

Mr. SMOOT. I wish to answer the question just asked by the Senator from Mississippi.

Mr. MYERS. I yield to the Senator from Utah and then to the Senator from Idaho [Mr. BORAH] and then to the Senator from California [Mr. WORKS].

Mr. SMOOT. The suggestion of the Senator from Mississippi is a pertinent one, and it ought to be answered. It can be answered in this way: That the \$42,000 which was furnished by the parties to the contractors was paid by the Government on monthly estimates, and now, if they have to pay it again, it will be a double cost upon the land.

I agree with the Senator from Minnesota that it only allows the parties who furnished these goods to the contractor to bring suit against the bondsmen. Under the law of 1905 the Government has done that, and they have a prior lien. They have brought the suit against the bondsmen to collect this \$42,000, and as the Government has already paid it once through estimates to the contractor, the Government will take the \$42,000, if collected, and will credit the amount to the project. But if the people who furnished the goods to the contractor are allowed to get the \$42,000 from the bondsmen, as the bill provides, then the project will not be credited with the \$42,000, and it will be a double charge to the men who may go on the land.

Mr. OVERMAN. May I ask the Senator a question? I wish to ask the Senator from Utah why the Government compromised a \$75,000 bond for \$42,000?

Mr. SMOOT. I am not in possession of information as to whether that was all that they could get out of the bondsmen or not.

Mr. OVERMAN. These labor and material men say they were ready to compromise, and the Government cut them out of it.

Mr. SMOOT. I do not know why it was.

Mr. BORAH. Mr. President—

Mr. MYERS. I yield to the Senator from Idaho.

Mr. BORAH. It all resolves itself into the proposition whether or not we can compel the settlers on these projects to pay for a conceded mistake of judgment on the part of those who were in charge of the work for the Government. There is no law on the statute book at this time which compels them to do that or equity which authorizes it to be done, and I venture to say there never will be any put on the statute book which will authorize it to be done.

The law contemplates that the settler shall pay what it actually costs to construct the canal or the work, and it does not contemplate and equity does not enjoin him to pay that which has resulted from the failure to take a bond or that which has resulted by reason of a bad compromise or that which has resulted by reason of the fact that they did not in some other way perform their official duty.

The settlers are not responsible for the failure to do their official duty, and the law does not impose it upon them to pay for it. If there is any mistake about that proposition it is the duty of Congress not to impose upon those settlers burdens



which may arise by reason of some mistake on the part of the Government officials.

Mr. WORKS. Mr. President—

Mr. MYERS. I yield to the Senator from California.

Mr. WORKS. It seems to be a little difficult for a Senator who respects the rules of the Senate to be heard, but the Senator from Idaho has practically covered what I desired to say.

It seems to me that in the matter of carrying on these irrigation projects the Government of the United States should be regarded as a trustee for the settlers upon these lands. If there are any mistakes made by which money is lost, that loss should be borne by the Government, and not by the settlers.

Mr. President, this thing of adding to the burden of the settlers under these irrigation projects is a very serious matter, as I know. The burden is altogether too heavy as it is. One of the dangers that is confronting the whole Reclamation Service is the fact that burdens which are imposed upon the settler under these projects are too heavy for them to bear. I am quite sure that before very long the Congress of the United States will have to pass some additional legislation that will bring relief to the settlers under these projects.

The question here is simply one as to which of two innocent parties should bear this loss—whether it should be borne by the contractors and dealers who furnished material to the contractors or whether it should be borne by the settlers under the project. I do not believe that it should be borne by either one of them. I believe that if any loss has been incurred in this matter it should be paid out of the General Treasury of the Government and not be borne by the settlers upon these lands. That, it seems to me, is the vice of this bill. The Secretary of the Interior seems to have construed it in that way.

I think I understand what the terms of the bill are. It seems to me there can be no question but that the final loss will have to be borne by the settlers themselves, and that, it seems to me, is utterly unjust.

Mr. CUMMINS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Iowa?

Mr. MYERS. Certainly.

Mr. CUMMINS. Personally, I believe this money should be paid out of the Treasury of the United States, but I think there is some misapprehension here with regard to what will happen if the bill passes.

This project proposed to irrigate 150,000 acres of land. Twenty-two thousand acres of the land are already sold, and the Secretary of the Interior says, and I agree with him in respect to that, that the increased cost which might be reached by this amount can not be assessed upon the land that is already sold by the Government, and there is no proposal to increase the assessment upon the land already sold or entered. There are 118,000 acres of the project which have not been sold. There are no entrymen upon these acres. Contracts between the Government and entrymen are yet to be made. If this money is imposed upon any part of the project, it will be imposed only upon the 118,000 acres in which no one has as yet any right whatsoever and upon which no one as yet has expended any money whatsoever.

It is perfectly fair and equitable, as I look at it, if it must be imposed at all, to impose it upon these 118,000 acres, and thus the 33 cents per acre named in the report of the Secretary of the Interior are determined. The Secretary of the Interior says:

The Director of the Reclamation Service reports that there are approximately 150,000 acres of irrigable land in the whole project, of which but a small proportion is private or State land; that there are approximately 80,000 irrigable acres which will be served by the Corbett Tunnel, but that the expense of the tunnel has been charged upon the whole project and not merely upon the 80,000 acres; that about 22,000 acres are covered by existing water-right contracts with entrymen and private owners; and that about 12,000 acres are subject to existing public notices fixing the price of water rights to settlers who shall hereafter make entry, or private owners who shall hereafter contract for water from the project.

As to the 22,000 acres, the existing contracts, so long as they are fulfilled by the water users, are binding upon the United States. This fact precludes the shifting of any of the burden from the laborers and material men to water users on said 22,000 acres. As to the 12,000 acres, the department could cancel existing public notices and charge upon this 12,000 acres, together with other lands for which the price of water rights has not yet been fixed by any public notice—

But upon which no entries have been made or contracts made.

Mr. BORAH. Mr. President, may I say just a word? Those contracts entered into with these entrymen that cover the 22,000 acres specify the amount they are to pay, and how can they be made to pay any more?

Mr. CUMMINS. And they can not be made to pay a single penny.

Mr. CLAPP. And they can not impose any further burden upon it.

Mr. CUMMINS. This law does not propose to impose any additional burden upon it. The Secretary of the Interior could not do it if he so desired. There is no law which permits the Secretary to impose an additional assessment upon the 22,000 acres, but as to the 118,000 acres which as yet have not been entered, concerning which no rights have accrued, where is the inequity in selling that land for the cost of this project, including the \$42,000 proposed by the bill? There is no inequity in it, and if the settlers do not want to take the land with the additional 33 cents per acre, they need not do it. The Secretary of the Interior says:

As to the 22,000 acres, the existing contracts, so long as they are fulfilled by the water users, are binding upon the United States. This fact precludes the shifting of any of the burden from the laborers and material men to water users on said 22,000 acres.

And everybody will agree with that, that they have no right attached concerning the 118,000 acres that are yet unoccupied and yet unentered.

Mr. WORKS. The Senator from Iowa has a peculiar idea of the object and purpose of this reclamation legislation. I had always supposed that the object and purpose of the Government was to settle these lands upon the payment by the settlers of the actual cost of the project.

The Senator seems to think that no injury would result because of the fact that whoever may settle upon these lands in the future may be compelled to pay an excessive amount on account of the mistake of the Government in constructing these works. There should be an inherent right on the part of the people of this country to settle upon this land under the legislation that we have now at the actual cost of the project under which they propose to take up their land.

There is no contract right or liability with respect to it, I confess, but certainly the purpose of the Government was that this land should be settled by the people of this country at the actual and proper cost of these projects.

Mr. CUMMINS. Mr. President—

Mr. WORKS. If not, I have misunderstood entirely the object and purpose of the reclamation legislation.

Mr. CUMMINS. When settlers yet come in and pay the additional 33 cents which will be required they will then have paid only the actual cost of this work. There is no suggestion that the project could have been built or completed by anybody for less than the amount expended, including the \$42,000 covered by the bill.

Mr. WORKS. There, I think, is where the Senator from Iowa is mistaken. As the statement is made here—I do not know how true it may be—the Government failed in its duty with respect to this particular project by not demanding and requiring of the contractors a sufficient bond to protect the parties interested in the construction of this particular project.

Mr. CUMMINS. If that were true, the contractor would have lost the land. If something from the bond was necessary to reimburse the Government, then the Government is taking advantage of a mistake on the part of the contractor in agreeing to do the work at too low a price.

Mr. WORKS. That assumes that the contractor took the contract at too low a price. I do not know whether he did or not; but if he did and the Government let out this contract at a price that must result in the failure of the contractor, and somebody is to lose money by it, I do not know how the Government and innocent parties should be held responsible.

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Idaho?

Mr. MYERS. I yield to the Senator from Idaho.

Mr. BORAH. It is apparent to all familiar with the facts in this controversy that the \$42,000 is not the amount expended in the actual construction of this reclamation. Therefore, if the loss occurs it will arise by reason of the failure either to take sufficient bond or by reason of the failure to compromise and take the full amount of the bond when settled.

Suppose—speaking now to those who contend that the settler should bear this mistake—suppose they had proceeded to judgment and some representative of the Government had collected judgment and embezzled it, would anybody contend that the settler therefore should suffer by reason of that kind of an act? This law does not contemplate and no fair construction of it can impose upon the settler that kind of a burden, or that kind of an expense. It only contemplates their return to the Treasury that which was the actual expense of construction bona fide expended.

Mr. SMOOT. Mr. President—

Mr. MYERS. I will yield to the Senator from Utah and then I will ask to be allowed to continue.

Mr. SMOOT. I only want to answer the question asked by the Senator from North Carolina [Mr. OVERMAN] as to why the compromise of \$42,000 was made by the Government. The reason is because of the fact that \$42,000 is all the claims that are made against the project. That is all that was to be collected from the bondsmen, because that pays all the claims made against the contractor.

Mr. OVERMAN. In taking into consideration this compromise of the Government, in connection with the loss of the Government, absolutely they neglected to go into the question of these laborers and material men.

Mr. SMOOT. Not at all.

Mr. OVERMAN. I understand the Senator to say that they compromised for the Government loss at \$42,000?

Mr. SMOOT. No; what the Government lost, the claims against the contractor by those very parties whom the bill now undertakes to see paid, amounted to \$42,000; and that is all the claims there were made against the contractor and all the claims that the people furnishing material could have sued the bondsmen for.

Mr. OVERMAN. Do I understand the Senator to say that the bondsmen paid into the Treasury \$42,000, the amount of these claims?

Mr. SMOOT. No; they have not paid it, but I understand there is a compromise, and they will pay it into the Treasury and the reclamation project will get the credit for it.

Mr. OVERMAN. Then this compromise was for the material and the laborers' lien?

Mr. SMOOT. The compromise covers all claims, as I understand it.

Mr. OVERMAN. The Government compromised to that amount, and that amount belongs to these people?

Mr. SMOOT. No, Mr. President, it does not belong to the people, for this reason: That when the goods were furnished to the contractor by the different people, the Government paid the contractor for the items furnished in estimates every month; that is, the \$42,000 that was furnished to the contractor went into the project, and every month an estimate was given as to how much of the project had been completed, and in this amount the \$42,000 was included. The Government has already paid it, and it has been charged to the reclamation project.

Mr. OVERMAN. The Government has paid these claims?

Mr. SMOOT. The Government paid the contractors for goods furnished on the basis of the claims.

Mr. CUMMINS. I am sure the Senator from Utah is mistaken about that. The Government paid the contractor upon the estimates and according to the work done. It happened that those estimates were not sufficient to cover the expenses of the contractor while he was doing the work. The Government did not make any estimate with regard to the material furnished, with regard to the labor, or with regard to other things of that sort. The Government made estimates with regard to the work done on the project.

Mr. SMOOT. If the Senator had examined the contract made by the Government he would have found they allowed 90 per cent of all material that is upon the ground for the project, and everything that was furnished up to the time the Government paid for, because there was an estimate made for it.

Mr. FLETCHER. Mr. President, may I ask the Senator one question?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Florida?

Mr. MYERS. Certainly.

Mr. FLETCHER. I desire to be enlightened a little on one phase of this matter mentioned by the Senator from Iowa. It seems to me the suggestion made is not quite a fair one, if it be true that the Government still owns 118,000 acres of land which have not been entered by anyone and not disposed of or sold. I should like to inquire from the Senator what amount of this 118,000 acres is Government land and whether any part of it is land owned by private individuals. Then I desire to inquire further whether or not this 118,000 acres has been benefited by this improvement. If the 118,000 acres has been benefited by the improvement made by reason of this irrigation project, then I see no reason why the Government should not stand this expense of \$42,000 and take its chances of getting back the money out of the 118,000 acres to be sold.

Mr. MYERS. Yes; it is Government land, I understand.

Mr. President, I will resume my statement, and, if not interrupted a great deal more, I think I can say all I have to say in a comparatively short time, and then I will be very glad for each and every Senator who may so desire to express his views on the subject.

As I was saying when interrupted, this bill, as passed by the Senate and the House, simply enabled the creditors to avail

themselves of the provisions of the act of 1894, to have the first right to sue on the contractor's bond for the \$42,000 due them, and to recover it out of the bond. What the Government may do in regard to its deficit caused by the expense to which it was subjected to complete the contract, over and above the contract price, is another matter about which I will say a few words before I get through. The object of this bill is to put these creditors exactly where they would have been under the law of 1894 by enabling them to have the first right under the contractor's bond. I see no justice in the statement of the Senator from Utah [Mr. SMOOT] that the Government is willing to compromise on \$42,000 and expects to get that amount, but the creditors are to get none of the money.

Mr. SMOOT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Utah?

Mr. MYERS. Certainly.

Mr. SMOOT. The Senator will admit, however, that the contractor signed the contract for doing the work under the law of 1905, will he not?

Mr. MYERS. Yes, sir; and I will have something to say about that a little later.

Mr. SMOOT. When he signed the contract with the Government to do the work he knew exactly what the law of 1905 was.

Mr. MYERS. I will have something to say about that in a few moments. They were ignorant of the law and so were the people who entered into the Bellefourche project a short time prior to the period when this project was entered into. In the case of the Bellefourche project a banker and his counsel were ignorant of the law, and Congress gave that banker relief, while in this case those ignorant of the law were poor workmen, tradesmen, and small dealers, and the question is, Are we to have one law in this country for bankers and another law for laborers and small tradesmen?

Mr. OVERMAN. Mr. President, does the Senator say—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from North Carolina?

Mr. MYERS. Certainly.

Mr. OVERMAN. Does the Senator say that since the repeal of the act of 1894 Congress has extended to a banker the same relief the Senator is asking for the people affected in this case?

Mr. MYERS. Yes, sir; to the amount of more than \$20,000; and I simply want the same right to be granted certain workmen, small tradesmen, and dealers in Montana and Wyoming that the banker in South Dakota had.

Mr. SUTHERLAND. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Utah?

Mr. MYERS. Certainly.

Mr. SUTHERLAND. Let me ask the Senator from Montana if there was not this very vital difference between the two cases, namely, that in the Bellefourche case the contract itself, which was entered into between the Government and the original contractors, recited that it was made under the law of 1894?

Mr. MYERS. Yes; after that law had been repealed and nobody knew that fact.

Mr. SUTHERLAND. Yes; but both the Government and the contractor entered into the contract upon the understanding that the law of 1894 was in force.

Mr. MYERS. In ignorance of the fact that it had been repealed.

Mr. SUTHERLAND. But both of them seem to have overlooked the fact that a very short time—

Mr. MYERS. They entered into a contract under a dead law.

Mr. SUTHERLAND. They both seemed to have overlooked the fact that a very short time prior to entering into the contract the law had been changed.

Mr. MYERS. Yes; the Senator is right. I will explain that a little later.

Mr. SUTHERLAND. But both of them understood that it was a part of the contract itself.

Mr. MYERS. I think the Senator is right.

Mr. LODGE. May I ask the Senator from Utah a question before he sits down?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Massachusetts?

Mr. MYERS. Certainly.

Mr. LODGE. I merely desire to ask, in that connection, is it not true that bids in the case of the Bellefourche project were advertised before the law of 1905 was passed?

Mr. SUTHERLAND. Yes.

Mr. MYERS. And the contracts were entered into after it had been repealed.

Mr. LODGE. Yes.

Mr. MYERS. Entered into under a void law.



Mr. SUTHERLAND. It is true that the advertisements were issued under the law of 1894 and that when the contract came to be made both parties evidently overlooked the fact that in the meantime the law had been changed.

Mr. MYERS. Yes; through ignorance of the law.

Mr. BORAH. But it resolves itself back into the proposition that in that case the relief was afforded from a mistake of Government officials, and precisely the same principle is involved in this case. In the one case the Government officials entered into a contract under a law which did not exist, and we relieved them, and that is the same proposition in this instance, although it is put in another way.

Mr. SUTHERLAND. Will the Senator from Montana permit me to say a word in answer to the Senator from Idaho?

Mr. MYERS. Certainly.

Mr. SUTHERLAND. The difference between the two cases is that the subcontractor or the people furnishing the material to the contractor in the case of the Bellefourche project would have exhibited to them a contract which recited that it was made under the law of 1894, and, going to the law of 1894 and having a right to rely upon the recitals in the contract, they would find that they had a right upon the bond superior to that of the Government, while in the case we are now considering the contract recites that it is made under the law of 1905, and the subcontractors who deal with the contractor see by the contract itself that it refers to a law under which their rights are postponed to those of the Government. In the one case innocent parties are misled by the declarations in the contract, and in the other case they are not.

Mr. BORAH. Mr. President, that does not change at all the principle involved here. In that case we did not go into the question as to whether or not it would cost the settlers a little more money, and the objection that is raised here to defeat this measure was not raised in that case at all, but because the Government officials had made a mistake and there was suffering by reason of that mistake relief was afforded.

Mr. MYERS. Mr. President, I will say in reply to the Senator from Utah that it is further true that we can not get away from the inevitable and indisputable fact that under the strict letter of the law the bank of Bellefourche, S. Dak., would have lost over \$20,000 had not the Congress of the United States, in a fair, equitable, and just spirit, passed a law to reimburse the bank for that amount; and that is all we are asking here.

As I was saying, this bill simply gives these people the right they would have had under the law of 1894 in regard to suing first on the contractor's bond. As to whether it gives them any lien on anything, whether the amount may be taxed to the remaining acreage of the land, I do not say; that is another proposition. All we want is the right to sue first on the bond. What the after consequences may be and what the rights of the United States may be is another question.

This contract was let very shortly—within two or three weeks, I think—after the law of 1894 had been repealed by the law of 1905. The law of 1905, repealing the law of 1894 and taking away from creditors the first right to have recourse upon the bond, had only just barely taken effect when this contract was entered into. I will admit the showing is that the contractor who entered into the contract and the people who let him have the supplies and advanced the money were all ignorant of the fact that the law of 1894 had been repealed, and the people who furnished the money and supplies thought they were protected by the law of 1894, when, in fact, it had been repealed just a short time—a few days or weeks—before. I will admit they were ignorant of the law.

We have a precedent for the proposed action. Congress has established a precedent almost precisely analogous in fact and absolutely analogous in principle for the relief asked in this bill. I refer to a similar bill in the case of the Bellefourche project.

Mr. CLAPP. Here is the act in full, if the Senator desires to refer to that.

Mr. MYERS. Yes; it is precisely the same as this act.

In regard to this bond, I will say it is my understanding the Government is suing on this bond to recover the amount that it cost the Government to complete the work over and above the contract price, about \$180,000. If it settles on \$42,000 and gets the money, that is something with which these creditors have nothing to do. They get no part of that money. I shall now quote from a report of the House committee on the bill for the relief of the Bellefourche bank. A few years ago there was another contract of a similar character entered into by the Government, and a bank in Bellefourche, S. Dak., advanced money to the contractor, just as money and supplies were advanced in this case. The contractor failed and left the bank

holding an indebtedness of about \$22,000. Congress had enacted the law of 1905 and the bank found itself unable, owing to that law, to have the first right of recourse upon the contractor's bond. The bond was not sufficient to protect both the Government and the bank; so a bill was introduced in Congress to give the bank of Bellefourche, S. Dak., the first right to sue on the contractor's bond, to have first recourse on that bond. I will read from the report of the House Committee on Irrigation of Arid Lands the facts in regard to the bill for the relief of the Bellefourche bank. That report gives a history of the Bellefourche case:

The Committee on Irrigation of Arid Lands, having had under consideration the bill (H. R. 2522) for the relief of the First National Bank of Bellefourche, S. Dak., having considered the said bill and subject matter in connection therewith, in lieu thereof respectfully submits and recommends the passage of the bill which this report accompanies.

The evidence brought before the committee tends to show the following facts: That on February 10, 1905, the honorable Secretary of the Interior caused an advertisement to be published calling for sealed proposals for the work provided in schedule 2 of the main supply canal of the Bellefourche irrigation project in South Dakota in accordance with the specifications prepared therefor; that the said specifications, among other things, provided in specification No. 35 as follows:

"Claims for work and material: The contractor shall promptly make payments to all persons supplying labor and materials in the prosecution of the work, and a condition to this effect shall be incorporated in the bond to be given by the contractor in pursuance of the act of Congress approved August 13, 1894." (28 Stat., 278.)

That the act of Congress approved August 13, 1894, and referred to herein was entitled "An act for the protection of persons furnishing material and labor for the construction of public works," and provides, among other things, that any person or persons entering into a contract with the United States for the prosecution of any public work shall be required, before commencing such work, to execute a penal bond with good and sufficient sureties, and "with the additional obligation that such contractor or contractors shall promptly make payments to all persons supplying him or them labor and materials in prosecution of the work provided for in such contract," and that persons "supplying such labor and materials shall have a right of action and shall be authorized to bring suit in the name of the United States for his or their use and benefit against said contractor and sureties and to prosecute the same to final judgment and execution: *Provided*, That such action and its prosecution shall involve the United States in no expense."

The effect of this act was to give the persons supplying material and labor for the prosecution of public works a right of action upon the contractor's bond and to give such persons a prior right for compensation in advance of the claims of the United States in so far as the contractor's bond was concerned. The contract for the construction of the main supply canal of the Bellefourche irrigation project was executed by the Secretary of the Interior on behalf of the United States, and by the Widell-Finley Co., a Minnesota corporation, on its own behalf, and bears date of April 26, 1905. This contract recites that it is made "in accordance with the terms of the attached advertisement, proposal, and specifications, the same being made a part of this contract." Attached to and a part of the contract was a copy of the advertisement of February 10, 1905, and also a copy of the proposal and specifications for the construction of the said canal, containing section 35, making provision for the protection of claims for work and material by the bond to be given under the act of August 13, 1894, as herein set forth.

On February 24, 1905, Congress passed an act the effect of which was to repeal the act of August 13, 1894, and to postpone the rights and claims of persons furnishing material and labor in the construction of public works to the claims of the United States in connection therewith. In other words, the effect of the act of February 24, 1905, would be to give the claims of the United States priority over labor and material claims, which were made prior by the act of August 13, 1894, as to the protection afforded by the bond of the contractors.

Note what the report says now about the Bellefourche project:

Neither the bondsmen nor the contractors were aware of the act of February 24, 1905, when they entered into the contract for the construction of this main canal, for both in the advertisement and in the contract reference is made to the act of August 13, 1894.

Mind you, an act which had been repealed.

Here are the grounds on which this relief was granted:

The verified petition of the First National Bank of Bellefourche sets forth that the bank advanced the sum of \$17,680.04 for laborers' time checks for work done by laborers under this contract and the sum of \$2,000 to Widell-Finley Co. upon their promissory note for money advanced with which to pay for labor used upon the said public work. The said verified petition also sets forth that before making the said advance the bank received legal advice and counsel as to whether they would be protected in such advances by the contractor's bond; that the bank was assured and advised that the act of August 13, 1894, referred to in the contract would fully protect the claims for labor and material and would fully protect the bank as assignee of such claims, and that, relying upon the said advice and assurances as set forth in the said contract, the bank advanced or paid the amount of money herein set forth for the said purposes.

Here is the language of the committee:

It appears to the committee that these facts make a very strong equitable case. There may be other persons similarly situated toward the work done under this contract. Apparently all persons proceeded in ignorance of the changed condition of the law, and this case affords a striking illustration of the strong equity that always arises where the parties to a contract act under a mutual mistake of the law. It would be manifestly unjust for the irrigation project to accept the full benefit of the work performed by the laborers, and the materials furnished under the contract, and not allow to the parties interested the protection of the bond and its sureties as recited both in the advertisement and in the contract itself.

Mr. CRAWFORD. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from South Dakota?

Mr. MYERS. Certainly.

Mr. CRAWFORD. Does not the Senator understand, then, that the Government passed that amount on to the settler and the \$20,000 was taxed up to him and he paid it, instead of the Government?

Mr. MYERS. Yes; and I am going to reach that point in a moment.

Now, the only difference—

Mr. BORAH. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Idaho?

Mr. MYERS. Certainly.

Mr. BORAH. I will ask the Senator from Montana or the Senator from South Dakota how the Government passed it up to the settler, when he had already a contract covering his price.

Mr. CRAWFORD. I do not pretend to know. I simply asked the question for information.

Mr. ASHURST. If the Senator from Montana will yield to me, I think I can answer the question.

Mr. MYERS. Certainly.

Mr. ASHURST. When the first estimates for the construction of the Roosevelt irrigation project in Arizona were made and promulgated it was understood that the entire project would cost about \$4,000,000, and the landowners thus signed contracts in the belief that the project would not cost above \$4,000,000. The project was in the nature of a pioneer proposition, and much of the work was experimental, and from one reason upon the other the cost has now reached a sum a little upward of \$9,000,000.

Mr. BORAH. Did the settlers give up their first contracts?

Mr. ASHURST. They were compelled to modify them in order that the construction work might proceed.

Mr. BORAH. I do not know what made them give up their contracts, but we in Idaho refused and did not give up the contracts, and only those who voluntarily waived the contracts went into the new contracts.

Mr. NEWLANDS. I should like to inquire of the Senator from Arizona whether or not the cost of this project and of all irrigation projects was not largely increased by the enormous increase in the price of labor and supplies and material during the period subsequent to 1902.

Mr. ASHURST. That addition and necessary works and equipment partly increased the cost is quite true; but surely the wise and just rule would be that where any inequity, wrong, or injustice is done the party responsible for it, instead of the innocent party, should bear the burden; and certainly, under the circumstances, the party most capable of paying, instead of the party least capable, should bear the burden.

Mr. MYERS. I have stated the facts in regard to the Bellefourche project and the Bellefourche reimbursement, which was purely an equitable act on the part of Congress, that could not have been compelled in any way under the law and it could not have been had in any other way.

Now, then, the only difference that the Secretary of the Interior seeks to make between the Bellefourche project and this project is this: It is about three lines long, contained in the report of the Secretary of the Interior:

On the Bellefourche project the contract was advertised for before the rule of priority was changed by the act of 1905, though actually let thereafter.

The repeal of the law of 1894 just split in two the proceeding under the Bellefourche project. The contract was advertised for before the repeal of the law of 1894 took effect, but the contract was entered into afterwards and under the law of 1905.

Now, then, it happened that the Corbett Tunnel project came on just a few weeks later and was advertised for and let under the law of 1905. But in both cases all parties to the proceedings were ignorant of the repeal of the law of 1894, and this explanation of the Secretary of the Interior does not do away at all with the fact that the Bank of Bellefourche, S. Dak., would have suffered a loss of \$20,000 and more if a bill in the nature of equitable relief had not been passed through Congress for the relief and reimbursement of that bank and approved by the President.

So it was a voluntary and equitable act by Congress, which could not be compelled by any power on earth, for relief which could not be granted under the law nor had through the courts nor had in any other way on earth. Congress enacted this law for the relief of the Bank of Bellefourche, S. Dak., and that is all that is asked in this bill under consideration.

I was asked a question a moment ago by the Senator from South Dakota as to whether this money that was voted or the right that was given to the bank at Bellefourche to have the first right to recover money out of the bond operated to increase the price of the work on the land under the project. The reclamation officials figured out and reported that it would make a certain raise, a certain increase, but whether that increase was ever levied and actually enforced or not I do not know, and the papers and records of this case do not show. I have nothing before me to show, but conceding that it was levied and exacted on the people on the Bellefourche project for the benefit of a bank at Bellefourche, S. Dak., is it right and proper that it should have been levied and exacted in that case for the benefit of the bank and then when we get to this case of poor laboring people and small tradesmen and dealers that that point should be raised to estop proceedings in this matter; that a differentiation should be had between the two cases; that it should be an estoppel or objection or obstacle in this case and should not have been in that case?

Mr. CRAWFORD. Would the Senator from Montana have any objection to a proviso attached to this bill which would say specifically that the amount paid by the Government should not be assessed upon those settlers?

Mr. MYERS. We can not do that, after this bill has been acted on by both branches of Congress and has been vetoed by the President. The only question now is, Shall the bill be passed over the veto of the President? That is all.

Mr. CRAWFORD. It is one of the reasons why it is a very serious proposition as to whether this veto should not be sustained; and I am not governed by any desire to please either the Secretary of the Interior or the President—

Mr. MYERS. I know that.

Mr. CRAWFORD (continuing). Or to discriminate in favor of any bank in my State.

Mr. MYERS. I know that.

Mr. CRAWFORD. I have in mind all the time the settlers upon these claims and their right in the premises; and it seems to me so flagrantly unjust to make them bear the burden of the mistake, the improvidence, and the incompetence of either Government officials or of Government contractors that I protest against in any way making them bear the burdens of failures of that kind.

Mr. MYERS. It is not established by any facts or record that I have or know of that the increased cost was taxed to the settlers in the Bellefourche project.

Mr. BRISTOW. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Kansas?

Mr. MYERS. Certainly.

Mr. BRISTOW. I should like to suggest that it seems to me in this discussion we ought to think something of the poor people who have gone into the project. They have got nothing. Every dollar they had has gone into it. Certainly they ought to have some protection. And who ultimately pays it is not of so much consequence to me as that these people who lost all they had by trusting the Government's contractors, because they believed their figures were accurate, should be made good. Certainly, we ought to have some consideration for them.

Mr. CRAWFORD. I want to say frankly that I am in favor and heartily in favor of making good the claims of these laborers, but I want it done by the Government, out of the Government Treasury, and I do not want it shifted over to the settlers upon these projects, and I want that point settled.

Mr. BORAH. I ask again how can they put it upon the settlers who have a contract?

Mr. NEWLANDS. My understanding is that as to the contracts—

The PRESIDENT pro tempore. Does the Senator from Montana yield; and if so, to whom?

Mr. MYERS. I yield to the Senator from Nevada.

Mr. NEWLANDS. My understanding is that as to contracts, the settler is called upon to pay a proportionate part of the cost, whatever it may be. Now, then, if the Government is compelled to pay these subcontractors, it becomes a part of the enterprise, and hence the proportionate part of it is imposed upon each one of the settlers. I admit the hardship upon the settler, but—

Mr. BORAH. The contracts provide that so much per acre shall be the amount the settler is to pay.

Mr. NEWLANDS. My understanding is that when the Government enters upon one of these projects, it makes an estimate as to what it will cost, and announces what its estimate is, and then it is known what each acre will be called upon to pay. That estimate is not absolutely accurate, but—

Mr. BORAH. We have found that out.



Mr. NEWLANDS. But that estimate does not constitute a contract between the Government and the settler that the settler will pay only the amount of the estimate. The obligation of the settler is to pay his proportion of the cost, whatever it may be.

Mr. BORAH. Now, Mr. President—

Mr. NEWLANDS. If the Senator will permit me to say one word further, following 1902, when the irrigation act was passed, there was a phenomenal rise, as we all know, in the cost of labor and materials. Hence the estimates made with reference to the cost of the project were almost in all cases underestimates, and as I understand the actual cost is apportioned among the settlers regardless of the estimate.

The result has been that the settler has been in many cases compelled to pay much more than the amount of the original estimate. I am glad to say, however, that the value of the land reclaimed has been so great as not to make this a serious imposition upon the settler, particularly in view of the fact that the Interior Department has been exceedingly considerate in extending the time of payments.

Mr. BORAH. I do not know what is the contract covering each and every reclamation project, or what are its terms, but I do know that this question was raised in my State upon a particular project. The settlers had a contract of \$22.50 an acre. The Government found it had to impose a greater amount, but it had no power to do so of its own motion. It had to enter into negotiations with the parties upon the project and get, for a proper consideration, a yielding up of the first contract, and that was conceded—that they could not change the \$22.50 unless the Government would give the settlers a special consideration in the way of the extension of time, and so forth, to induce them to give up their contracts. I do not know how it is in any other State, but I understood that was the general contract. That was true in Idaho.

Mr. MYERS. I will say, with great respect to all concerned, that I must decline to yield further. I appreciate the suggestions of those who are in favor of this measure, which have been helpful, and I have taken into consideration those of a counter nature, but I want to finish in a few minutes what I have to say and then yield the floor, and if my statement does no good, I hope it will do no harm.

I say again as to the question whether or not that increased cost was taxed to the settlers upon the Bellefourche project I do not know. If it was, from the statement of the Senator from Idaho, which I receive and accept, there was no law for it.

I believe that the department has in some instances imposed upon settlers an additional cost in these matters, but I know of no law for it. The Senator from Idaho says there is no law for it. That being the case, whatever may be done in this case, no increased cost can be taxed to the settler, but even if it were taxed to the settler it would be no more than may have been done in the Bellefourche case. I will read the report of the Reclamation Service on the Bellefourche case. This is the report of the Reclamation Department to a House committee on this Bellefourche bill. This is what the department has to say about it:

DEPARTMENT OF THE INTERIOR,  
UNITED STATES RECLAMATION SERVICE,  
Washington, D. C., January 31, 1910.

SIR: In compliance with your request at the hearing before the subcommittee to-day, the following information is submitted regarding contract No. 37 with the Widell-Finley Co. for the construction of the main supply canal, Bellefourche project, which is involved in the bill (H. R. 2522) for the relief of the First National Bank of Bellefourche, S. Dak.

The Government has paid to the Widell-Finley Co. for estimates covering the work completed to December 31, 1905.

The value of the work performed by the company and retained by the United States consists of the following items: (1) Twenty per cent of the amount earned to December 31, which, under the terms of paragraph 64 of the contract, is held back until the completion of the work by the contractor to the satisfaction of the Government, amount to \$10,726; (2) the estimate for the work done in January, 1906, \$9,024.38; (3) estimate for the work performed up to the date of bankruptcy, February 15, 1906, \$3,917.20; total, \$23,667.58.

Just as it paid up to the time of the failure in this case.

In answer to your question regarding the added cost per acre to the settler which would result from the Government releasing its prior right to the proceeds of the bond which it might claim under the act of February 24, 1905, it is very difficult to make a statement.

The charge for the project heretofore announced is \$30 per acre of irrigable land. The amount of irrigable land already covered by completed work is about 50,000 acres. The total amount estimated to be irrigated under the project is 100,000 acres. The area over which the \$21,500 would be distributed in case the Government could not collect it would depend upon the acreage not opened to water-right application at the time this matter is finally settled and the exact amount of the Government loss is determinable. Assuming that this amount would be one-half the irrigable acreage of 50,000 acres, the distribution of the sum of \$21,500 would be equivalent to 43 cents per acre, or \$34.40 for the usual 80-acre farm unit taken by the settler.

Very respectfully,

MORRIS BIEN, *Supervising Engineer.*

HON. W. F. ENGLEBRIGHT,  
*House of Representatives.*

The PRESIDENT pro tempore. The hour of 1 o'clock having arrived, it is the duty of the Chair to lay before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 21969) to provide for the opening, maintenance, protection, and operation of the Panama Canal and the sanitation and government of the Canal Zone.

Mr. BRANDEGEE. The Senator from Montana has evinced a very ardent desire to proceed with the consideration of the bill he is now engaged upon. On the whole, I am inclined to think it will be a saving of the Senate's time if that matter is allowed to go ahead now and reach a vote, rather than to come up every morning and go over the same ground again. Therefore I ask that the unfinished business may be temporarily laid aside.

The PRESIDENT pro tempore. The Senator from Connecticut asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none, and it is so ordered. The Senator from Montana will proceed.

Mr. MYERS. Mr. President, this report only says what the increase would be if levied. It does not say it must be levied. There is nothing here to so show. There is nothing to show that it ever was taxed to the settler in that case, and I undertake to say that if it were not so taxed in that case it will not be in this case.

The Senator from Idaho [Mr. BORAH] says there is no law for it. I know of no law for it. I accept his statement of the matter. He has looked into it. If there is no law for it, it can not be done if the settlers resist it. That is all there is to that.

Furthermore, the very valuable suggestion was made by the Senator from Iowa [Mr. CUMMINS] that, if it should be and is to be levied upon the land, it can only apply to settlers who come hereafter, and if they do not wish to take the land at this cost they need not take it. There is no law compelling them to do it. They would go into it with their eyes open, voluntarily, knowing what they have to pay. They would make inquiry, and if they should want to pay the extra cost, who is there who says they must not pay it?

I think that clearly and completely exculpates the proposition of added cost. But even if it were to be levied the Secretary of the Interior says, in regard to this case, that it would be a maximum charge of 91 cents per acre and a minimum charge of 33 cents per acre, and that on an average holding of 60 acres there would be a maximum burden of \$54.60 and a minimum burden of \$19.80. That would be an average of \$36.50 additional on each 60 acres, if it were required to be paid. In the Bellefourche project there was figured an average increase of \$34.40 on each 80-acre tract.

Mr. President, no amount of argument can evade the proposition that whether this additional money was levied on the remaining and untaken lands of the Bellefourche project or not, whether it will be in this case or not, action in the nature of voluntary relief was taken in favor of the Bellefourche Bank in the Bellefourche project. The right was given to have first recourse on the contractor's bond, and that is all that is provided for by this bill under consideration. The relief asked for in this case is precisely the relief asked for and granted by Congress and approved by the President of the United States in the case of the Bellefourche Bank. The relief asked in the two cases is precisely the same. The effect must be the same. The law, in so far as it affects the land, is the same; and while the facts slightly differ, while there is a hair's breadth of difference as to the two contracts, yet there was a mistake of law in both cases, even more egregious and inexcusable in the Bellefourche project than in this case, because from the reports here it appears that the United States officials who let that contract did not even themselves know of the repeal of the act of 1894. There was a mistake of law in both cases, and in each case it resulted in the inability under the existing law of the creditors to recover or to sue on the bond. So the cases in principle are precisely analogous.

Now, I want to refer to a matter which has been spoken of here, and that is the proposition of paying this \$42,000 twice. I say the record shows and it is a fact that when the Government took hold of this project it completed the work honestly and fairly and economically. There is no charge of waste or extravagance or corruption or dishonesty. There is nothing in the record to show any intimation or any suspicion of wastefulness or extravagance or misappropriation of funds. The contractor took the work too low. He executed the contract as far as he could go and until he failed financially. The only trouble with him was that he took his contract so low that he could not pay his workmen and his creditors, but the work was well and honestly done. The Government lost nothing by it, the settlers lost nothing by it. Then he failed. Then the Government of the United States took hold of the work and carried it on to



completion in a fair, reasonable, economical manner, without any waste or extravagance, and I say every dollar that has gone into this project has been honestly and economically expended. If this \$42,000 is allowed to be recovered on the bond, then the settlers will get the benefit of it and if they should pay the additional cost, which I do not believe they would have to pay, they would only be paying for what they would get. They would be getting value received for their money. They would be paying quantum meruit. They would be paying only the reasonable worth of what they would get.

I wish to refer here to something that is very significant. There is no charge that the Government of the United States did not handle this work economically, competently, and properly. There is no charge of wastefulness or extravagance, but the Government proceeded to and did do the work at a fair, reasonable, justifiable cost.

The work that the contractor did on his part of the contract was done \$56,000 cheaper than the ratio at which the Government did the work, which goes to show that the contractor took the work at a ruinous price; that he took it too low, because the Government did this work in a fair, economical, businesslike manner, without wasting or squandering any money, and intending to give the settlers the value of what they paid for; but yet the contractor having taken his contract at a ruinously low figure, at a figure whereby he was not able to pay his workmen and for his supplies, and which broke up the man and drove him into bankruptcy, his share of the work was done \$56,000 less than the Government would have done it for, and \$56,000 less than the ratio of cost at which the Government did its share of the work. Yet there is no charge that the Government did not handle the work honestly and economically.

So if this \$42,000 be recovered from the bonds, and even if it should come out of the land owners, they would be then getting the work that the contractor did at \$14,000 less than if the Government had taken the whole job and completed it.

I say, Senators, that even if the settlers should have to pay this money they are only paying for what went into that work; they are only paying the cost of it; they are getting the worth of their money; and they are getting it cheaper than they would have gotten it if the Government had taken hold of the project and carried it from the beginning.

Is there any chicanery, is there any injustice, is there anything wrong in that? It seems to me that in the language of the report of the House committee in the Bellefourche case this presents a strong appeal to the sense of justice and equity of Congress. I have the figures here which bear out what I have to say. It is a statement in regard to the matter compiled from the records.

In the matter of the Corbett Tunnel claims, after having paid these claims, facts and figures prove conclusively that the irrigation project will not have cost the settlers any more than it was reasonably worth, and no more than it would have cost had the Government done the work in full, instead of 83.8 per cent of it. On page 11 of Hearing No. 2 before the House Committee on Irrigation, May 4, 1912, are facts and figures, offered by the supervising engineer of the Reclamation Service, which prove that the amount paid to the contractors for the proportion of the work done by them, viz: 16.2 per cent of the full amount of the contract, up to the time of their suspension, was far less than was the cost to the Government, proportionately, after taking over the project. The figures are as follows:

Full amount of cost of project, \$933,075.	
Which the contractor undertook to do for \$750,000—far less than it was worth—and thereby came all this train of evils and troubles.	
Full amount of cost of project.....	\$933,075
Amount paid to contractor for 16.2 per cent of contract.....	104,085
Amount paid for completing 83.8 per cent of project (by Government).....	828,990
Average cost of 16.2 per cent of contract by Government.....	160,218
Total amount paid contractors for 16.2 per cent.....	104,085
Total credit balance of first 16.2 per cent project.....	56,133

The above figures prove that the cost to the project of performing the first 16.2 per cent of the work by the contractors was \$56,133 less than the amount required to perform the same proportion of the work at any time thereafter, and is accounted for by the fact that over \$40,000 of it was contributed by labor and material men and the balance by the contractors themselves.

I say that upon the whole record there is no crookedness or dishonesty or wastefulness or extravagance in this matter. The Government had to take hold of the work and complete it, on account of having driven a hard bargain with a contractor who broke himself up in trying to fulfill it. The Government took

hold of it and finished it without any scandal or suspicion or intimation of waste or extravagance. It did it in a businesslike, economical manner, and even if this \$42,000 should come out of the settlers, or may come out of the settlers, which I deny, they would be getting the work done for less than if the Government had done it from the beginning—\$14,000 less. They would be getting it done for less than a reasonable cost. The settlers are not hurt. But, as I said, even if the settler should be required to pay, any settler who goes on that land goes on it with his eyes open. You can not drag any settler on the land. He will inquire and learn what he has to pay, and if he goes on with his eyes open and wants to pay his price, who is there here who says he must not be allowed to pay it, if he thinks the land is worth the money? If he is willing to pay the money, why should he not be allowed to do it?

I tell you, Senators, that if relief is denied in this case there is no avenue of escape from the fact that Congress will have declared that there is one law for bankers and another law for workingmen, small tradespeople, and small merchants. It is the cry all over this country that there is one law for the rich and another law for the poor. We all deplore that cry. While there may be some ground for it, I am not in favor with giving any further ground or reason whatsoever for such complaints. I believe that courts ought to be careful to administer the laws in the same manner and spirit to all classes of people, high and low, rich and poor, bankers and workingmen.

If courts will administer the same law to all classes of people, there will not be nearly so much clamor for the recall of judges. I believe, in my humble judgment, if I may be permitted to say it here, in my humble way, that Congress, equally with the courts, ought to be careful and painstaking to enact the same law for the rich and the poor, the high and the low, the bankers, the workingmen, and the small tradespeople.

Here is an opportunity to do it. This Bellefourche bill, which is exactly analogous in principle and from which there is no avenue of escape, Senators, went through Congress and was approved by the President. The President said nothing about it in his message. He refers only to the report of the Secretary of the Interior. The Secretary of the Interior says very little about the Bellefourche project. He differentiates it from the case under consideration only in one insignificant particular, which does not take the case out of the same class. He does not, can not, abolish the analogy. He overlooks that proposition. I say in all fairness and honesty that the Government of the United States ought to treat all citizens, whether bankers or laboring men, rich or poor, high or low, with the same sort of consideration and fairness.

Now, I say to you, Senators, there is merit in this proposition; there is equity in this proposition; and there is justice and fairness in it. If Congress had seen fit to exact its pound of flesh and stand on the exact hair-splitting technicality of the cold, hard law the banker in Bellefourche, S. Dak., would never have been recompensed for his loss; but Congress justly and properly, in a sense of justice and fairness, departed from the strict technicality of the law existing in that case and granted fair and equitable relief. Why should it not do so in this case?

A word as to another thing that is apparent in all the hearings before the committees of the Senate and the House and in the discussion of this matter before this body and in the discussion of it before the House and in the discussions before the committees of Congress. This work is situated in Wyoming. If there be anybody voluntarily to pay any increased cost of land, if there be any settler who will feel one cent of this cost, it is in Wyoming; and if the Senators from Wyoming are not disposed to protest against this matter; if they are not disposed to protest against it as an imposition upon their State and their citizens; if they are not disposed to raise any objection; if they are willing to look upon it as fair and right and just, why should any other Senator in this body raise his voice against it? The Senators from Wyoming are those most directly interested, and never before any committee or in this body has any voice from Wyoming been raised against this bill; never by any Senator or Representative from Wyoming has it been branded as unjust.

In this case the people who are seeking this right to sue on this bond are not rich people; they are poor people. There is one good woman who has spent all winter and spring here looking after the interests of this bill. She and her husband, small merchants in Butte, Mont., have \$10,000 tied up in this matter. Yet are they not to be allowed the same privilege that the Bellefourche (S. Dak.) banker had of suing first on this bond? If they are not allowed the same privilege, if this bill is not passed, they will lose every cent in the world they have. They will lose their home. They will lose their business. They will be cast adrift in the world with the savings of a lifetime



lost and gone. They credited these people on the strength of the fact that they were dealing with the Government, believing that the law of 1894 was in force, and were so advised; and they are exactly in the same class as the Bellefourche banker. Now, these good people will be absolutely turned out penniless in the world, will lose their home and business, and every dollar they have in the world, if this relief is not granted to them.

Of course, that is no reason for enacting this bill, but it goes to show, I say in all earnestness, their rights in this matter, and that this bill ought to be as earnestly and as liberally and as conscientiously and as humanely considered as was the Bellefourche bill for the relief of a banker in Bellefourche, S. Dak.

Now, one word more. This is no political matter. It can have no political significance even if the bill be passed over the President's veto. You all know as well as I do that it can in no sense be any reflection upon the President. I esteem the President of the United States; I have a very high esteem and personal regard for him. Not one word of disparagement or degradation concerning him comes from me. I regard him as a very admirable man personally. I can not see that such an act as this would cast one iota of reflection upon him. Notwithstanding I esteem him, however, I am not going to surrender my judgment for his judgment; I am not going to surrender my prerogative for his prerogative.

I have much esteem, too, for the Secretary of the Interior, Mr. Fisher. I have at all times at the hands of Secretary Fisher received the most courteous treatment and considerate attention. My relations with him have always been pleasant. But I am not on that account going to surrender my judgment for his, and I do not believe that the Senate of the United States ought to surrender its prerogative of legislation to either one of those gentlemen, simply because they hold contrary opinions.

Now, as to the veto message of the President, he simply referred this to a department, and I dare say the Secretary simply referred it to some under official in his office. I can hardly believe that the Secretary has given this his strict personal attention. But it raises the same old proposition, are we to legislate by departmental action? Is the legislative function of this Government to be surrendered to department officials? Has it come to a pass where one man or two men shall tell us what legislation we can and can not pass? It has almost come to that pass where we have to go hat in hand and in humble attitude and demeanor ask some Government official if we can pass a certain bill.

We have to go and ask, Will you give your approval to this bill? Can we enact this legislation? When a bill is introduced the very first thing is to refer it some departmental official for his opinion as to whether it ought or ought not to become a law. I do not believe in that principle, Mr. President. I believe Congress ought to be jealous of its prerogatives and guard them more strictly than has been done. In this case the objections of the Secretary of the Interior were before the committee of the House and the committee of the Senate. They were fully considered by those committees, and those committees decided that there was nothing in them whatever. They decided that this case was precisely analogous to the Bellefourche case.

This body unanimously passed the bill in its present form and the House, with practical unanimity, passed it. Now, having taken that stand, simply because the President differs in opinion or because he referred it to some departmental official who differs from us, shall we surrender our views upon it? Shall we say that we unanimously voted for this bill and because the President or some departmental official says it ought not to pass we will recede and give way to his superior judgment?

I do not believe that that spirit ought to be dominant in this body. I believe this bill is just and proper. I believe it is a meritorious measure. I believe there is justice and fairness in it, and that the Government of the United States should not stand upon a hair-splitting technicality in a hard case and say to its citizens, We exact your pound of flesh. I believe the Government of the United States ought to deal honestly and liberally and in a fair and equitable spirit with its citizens, and in this case I believe, with all my heart and soul and feeling, that, notwithstanding the veto of the President, with all due respect to the President and the Secretary of the Interior, this bill ought again to be unanimously passed by this body.

Mr. CRAWFORD. Mr. President, the question as to whether or not the veto of the President shall be sustained, so far as

the political, personal, or official attitude of Senators toward him is concerned, has not entered my mind. I care absolutely nothing about that view of it. Naturally, if the question were confined to a simple proposal that the Government as a matter of justice should save these laborers or material men from loss and stop there, I would most cheerfully support the measure and vote against sustaining the veto of the President. I would not hesitate for one minute to so vote because the President belongs to my political party. There is just now little in the way of common sympathy between us, politically, to justify my giving that fact any consideration whatever, and I do not do so. But, Mr. President, it is very clear that it has been the custom heretofore in adjusting claims of this kind to pass the burden, temporarily carried by the Government, on to the settler. The Senator from Arizona [Mr. ASHURST], if I understood him correctly, in his reference to the Roosevelt dam, gave an instance of how, through the mismanagement of the Reclamation Service, the burden of the settlers upon those lands had been doubled. In the Bellefourche project the money paid to the bank appears to have been apportioned, and so far as any evidence is presented here that money was charged up to the settler.

The message of the President and the letter of the Secretary of the Interior clearly show that they have no other thought than that if this claim of \$42,000 is paid the amount will be assessed against the settlers, and if not borne by those who are there now, it will be by those who settle upon these lands in the future.

Mr. MYERS. I should like to ask a question.

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Montana?

Mr. CRAWFORD. Certainly; just for a question, because we have taken a great deal of time in this discussion, and I do not wish to detain the Senate long.

Mr. MYERS. I should like to ask the Senator, even if it should increase the cost to these settlers, what harm would it do?

Mr. CRAWFORD. That is the point that I am going to discuss.

Mr. MYERS. They go there with their eyes open.

Mr. CRAWFORD. That is what I am going to discuss. Mr. President, a stern necessity is every day driving men and women out into the desert, driving them out on the sun-parched plains, where year after year not sufficient rain falls to raise pasture for more than a few head of sheep; men who follow the instinct which craves a little piece of land take risks, endure hardships and privations, and face dangers equal to those met and endured by the soldier upon the battle field. I see them going into the western part of my State, and I see them sometimes coming back again with mere skeletons of horses drawing and cattle following the wagon; men and women with woe-begone and hungry faces, who have struggled against hardship, disaster, drouth, and poverty, making their way back to some place where they may be able to exist during the approaching winter. Among the mountains and hills of Montana, as the Senator from that State knows, you will frequently see the dug-out and cabin of the settler in many of the little, narrow, irregular draws or valleys in the arid or semiarid regions where some one is making a last desperate stand for the purpose of getting a little piece of God's footstool that he can call a home for his wife and his children.

The land which the Government still owns and in regard to which these laws have been passed for reclamation projects is held in trust. It is held for one purpose, and that avowed purpose is to make it possible for men with families, driven by stern necessity and following the desire which God gave to them to own a little piece of land somewhere, an opportunity to acquire it. The Government should only ask that the settler shall reimburse its actual and necessary expense legitimately incurred in building the project. Reimburse the Government for the mistakes, extravagance, and recklessness of its officers? No. Simply the cost incurred in the careful, discreet, and economical administration and execution of the enterprise or trust. Was it intended that the Government if it made a contract with some man to erect a great dam and neglected to take a bond from him, or took an insufficient bond, or employed an incompetent contractor—one who did not know how to carry on the work and who, through incompetency or recklessness, was unable to carry it on—was wasteful, improvident, and extravagant and failed, when another contractor of experience and prudence at the same figure might have made money—was it intended that all the losses sustained by subcontractors and material men in such case should be passed on and put upon the shoulders of the men who are to settle upon these lands and undertake, in a last struggle, to secure a home upon them?



This seems to be a case where some contractor and some Government official made blunders—I do not know where to place the responsibility, but blunders were made—and it is proposed that the losses be made good, in the first instance, out of the United States Treasury. I would cheerfully vote under all the circumstances that they might be made good in that way; but it is not to end with that, because the avowed purpose of these officials is that when that is done, the amount is to be carried over and charged to the settlers who will to-morrow and next year or the year following go out and settle upon the lands in that project, which means that the claims of these subcontractors are to be paid by the settlers and not by the Government. There I protest; upon that and that alone I make my protest. Brushing all questions of politics and policy aside, because in this case I care nothing about them. I protest in behalf of the settlers who may go upon these lands to-morrow or next year or the year following, because I think it is unjust and unfair to take action here that will permit these officials to do what they openly declare it to be their purpose to do in case this bill becomes a law—places the losses chargeable to the negligence of these subcontractors or of these Government officials—one or both—upon the shoulders of the prospective settlers upon that land. Unless the disposal of this veto can be made in a way which will satisfy me that these settlers will be protected, if mine is the only vote it shall be cast to sustain the veto, because I will not consent that this charge shall be passed on to the settlers.

Mr. ASHURST. Mr. President, it now becomes my duty to supplement the remarks I made a few moments ago in answer to the question propounded by the Senator from Idaho [Mr. BORAH].

The Newlands-Hansbrough Reclamation Act of June 17, 1902, in my judgment, is a lofty and enduring monument to the constructive statesmanship of the framers of that law, and especially to the great Senator from the State of Nevada [Mr. NEWLANDS], whom we all delight to honor.

Again referring to the Roosevelt project in Arizona, it was at first estimated that the cost of that project to the landowners and farmers would be about \$3,750,000, but it is now ascertained that the cost will be about \$10,000,000. The Senate desires to know how that has been brought about. A mere statement upon such a serious matter, unsupported and unfortified by any facts, would not be conclusive or even persuasive. Therefore, I give some of the reasons why this cost has proved larger than the original estimates.

I am not oblivious to the valuable service Mr. Newell, the Director of the Reclamation Service, has rendered to his country, and I am not ungrateful to Mr. Davis, the Government's engineer, for the service he has rendered. I honor him for the distinguished service he has performed, both in this country and in foreign countries, Turkestan, for instance; but that does not preclude my stating facts as they exist.

The Roosevelt project was in the nature of an experiment. It was an initial project, and for that reason mistakes were bound to occur. For instance, a lateral or a headgate might be erected at a place which the constructors in good faith believed was the proper location, in accordance with workmanlike principles; but subsequent facts might, and sometimes did, indicate that the constructors were mistaken. These unforeseen conditions and contingencies that could not have been anticipated partly brought about the increased cost. The estimate, made upon the cost of the Roosevelt project by the Reclamation Service at the time the contract was entered into between the Government and the Salt River Valley Water Users' Association, representing landowners, was \$3,750,000; but by subsequent agreements made and entered into between the Government and said association the project has been enlarged and extended, so that when completed its cost will exceed \$10,000,000, which sum, under the reclamation act and the contracts, becomes a lien upon the land of each landowner within the project in the proportionate amounts that the acreage of each individual's holding bears to the whole amount of land included within the project, and which provision makes certain the collection and repayment by the landowners to the reclamation fund of the cost of the project. This increase in the cost of the project over the original estimate will make the repayment within 10 years burdensome to some of the landowners, and in many instances will be in excess of their ability to bear.

As the work proceeded, it was ascertained that the enlargement of the project and the construction of the Granite Reef diversion dam would be necessary. This diversion dam cost \$650,000. Then the Chandler system and Mesa system were

purchased, which further increased the cost. In addition thereto a power plant was constructed, further increasing the cost over the original estimates, so that when the amount called for by the original estimates, namely, the \$3,750,000, had been expended, the project was not one-half completed, and out of the very exigencies of the occasion—I might say by virtue of the doctrine *ex necessitate rei*—and under a species of menace or duress the landowners and water users were obliged to alter their contracts accordingly.

In the light of these facts—that is to say, by reason of the cost of the construction of the project, amounting to nearly three times as much as the original estimates called for, all of which has been brought about without any fault upon the part of the landowners—it seems to me that in the forum of morals, and, indeed, in strict justice, the Secretary of the Interior, with the consent of the landowners and water users' association, should enter into a supplemental contract with the association providing for the repayment of the cost of said project in 20 annual installments, without interest, instead of 10 annual installments as provided by the provisions of the act of June 17, 1902, and in my judgment the present law is fairly susceptible of being construed so that the payments may be made equally or in graduated amounts, as may be determined by the Secretary of the Interior, in his discretion.

Mr. NEWLANDS. Mr. President, will the Senator permit me to interrupt him?

The PRESIDENT pro tempore. Does the Senator from Arizona yield to the Senator from Nevada?

Mr. ASHURST. With much pleasure.

Mr. NEWLANDS. I should like to inquire whether the expenditure of the \$9,000,000 only covered the work that it was expected the expenditure of \$3,500,000 would cover?

Mr. ASHURST. It included other work.

Mr. NEWLANDS. Does it not include much other work?

Mr. ASHURST. It does. The expenditure of \$9,500,000 covers much other work, as I have already stated.

Mr. President, I repeat that in many instances the reclamation officials could not have foreseen and did not foresee the unpropitious conditions which inevitably arise in all affairs of this magnitude. I am convinced that the honorable Secretary of the Interior and the reclamation officials will clearly see the overwhelming equities and rights of the farmers, landowners, and water users under this project and will grant extensions of time on the payments.

Mr. President, these reclamation projects throughout the West reflect much credit upon the builders and upon the reclamation officers because success has been achieved by these officials after overcoming many obstacles. Doubtless, in some isolated instances, apparent injustices seem to have been done toward this or that particular landowner; but, taken as a whole, the American people should be, and no doubt are, justly proud of this great work, and we of the West are especially grateful to the builders of these giant dams and reservoirs.

Having expressed my appreciation of the creditable work performed by the Reclamation Service—and, indeed, it is a creditable work, valuable not to Arizona alone, but to the whole Nation—I will not be deemed ungenerous if in truth I advert to one circumstance which in my judgment reflects no credit upon the Reclamation Service, as follows:

During the construction of the project it was ascertained that an enormous amount of electrical power could be developed or generated by the Roosevelt project. The farmers, landowners, and water users were given to understand that this power so generated would be sold and thereby appreciable sums of money would continually be coming in to the credit of the project, which at first would assist in defraying the expenditures for "upkeep" and eventually would partly reimburse the Government for the moneys advanced. It was ascertained that the power developed at various points on the project would be about as follows: Roosevelt Dam, through reservoir, maximum horsepower, 5,200; (2) Tempe crosscut, maximum horsepower, 6,000; (3) South Canal, maximum horsepower, 3,000; (4) Arizona Canal falls, maximum horsepower, 700; and (5) at the dam the power canal now building has a maximum horsepower of 4,400.

But, Mr. President, the Reclamation Service, acting, as I believe, in absolute violation of the Sherman antitrust law, entered into a contract with a corporation in the city of Phoenix, namely, the Pacific Gas & Electric Co., to sell this electrical power for 1½ cents per kilowatt hour. The contract was made by Mr. Louis C. Hill, on behalf of the United States, with the Pacific Gas & Electric Co., and by its terms it promises to furnish that company electric current for 10 years at 1½ cents per kilowatt hour, and the Pacific Gas & Electric Co. in turn



compels every householder to pay 12 cents per kilowatt hour. Until recently householders were compelled to pay 15 cents per kilowatt hour, and this company is thus enabled to exact these extortionate rates because the Government agreed to sell its power to said company under the following terms of contract, wherein the Government agrees (here I quote from the contract)—

To refrain from entering into a general retailing of power to customers in the city of Phoenix, Ariz., or from furnishing power to anyone in said city to be again sold or retailed.

This contract was in violation of section 3 of an act of Congress of July 2, 1890, entitled "An act to protect trade and commerce against unlawful restraint and monopolies" (26 Stat. L., 209), which provides that:

Every contract \* \* \* in restraint of trade or commerce in any Territory of the United States \* \* \* is hereby declared illegal.

Mr. President, what a farce it is to observe trust busters fulminating and thundering in the index, the Government spending much money to enforce the Sherman antitrust law, and then, on the other hand, to observe the Government itself entering into a contract which on its face is a violation of that law. The power purchased by the Pacific Gas & Electric Co. is acquired at 1½ cents per kilowatt hour, while the Pacific Gas & Electric Co. sells that power to the citizens of Phoenix and other users of power and light at 12 cents per kilowatt hour.

The Pacific Gas & Electric Co. was incorporated in May, 1906, and is successor to the Phoenix Light & Fuel Co. The latter, in March, 1901, entered into a contract with the Arizona Water Co. for such water power as it might develop incidental to carrying water in canals from the Salt River to irrigate lands in the vicinity of Phoenix. A former owner in the Phoenix Light & Fuel Co. states that this old power contract was made not because of its value, but for fear competition might ensue in the lighting business if this possible power was not controlled.

Subsequent events prove that this power was as valueless as it was declared to be at that time, by experts who investigated it, for the reason that when the Salt River carried a great volume of water the canal company's diversion dam was destroyed, leaving the canal dry, and when there was no water in the river, of course, there could be none in the canals, and therefore no power. It was to remedy these conditions that the Government is expending \$10,000,000 in the reclamation project, and which expenditure has made the matter of electrical power there much less hazardous. The United States acquired the Arizona Water Co.'s canals in June, 1907. The Pacific Gas & Electric Co., however, made good use of its asset of doubtful value—the old contract—as shown by the concurrence of the Reclamation Department.

Reputable attorneys who examined the old power contract were of opinion that the Government was neither morally nor legally obligated to consider it. Manifestly the people, generally, would enter no objection to the Reclamation Department selling power to the Pacific Gas & Electric Co., but they do object most strenuously to the Government of the United States using this old contract between two corporations as a basis for an exclusive contract by and between a grossly overcapitalized corporation vending a public necessity.

The Pacific Gas & Electric Co. is capitalized for nearly \$1,500,000, and among other assets list the "franchises and rights" at \$515,000. As its Phoenix franchise is not exclusive, nor can it be made so under Arizona law, it follows that this company has capitalized this Government exclusive contract as "rights," at \$515,000, and which amount of itself is vastly in excess of the company's actual assets.

Mr. President, it is but fair that I should at this point ask unanimous consent to include in the RECORD a copy from a page of the report of the Reclamation Service, giving its reasons for the contract.

The PRESIDENT pro tempore. Without objection, the request is granted.

The matter referred to is as follows:

In purchasing the existing canal system certain obligations were assumed by the Reclamation Service for the supply of electricity to the Phoenix Railway & Light Co. The power canal used in the construction of the Roosevelt Dam is now applied to the generation of electricity for this company, with whom a 10-year agreement has been made, the electricity being furnished at the rate of 1½ cents per kilowatt hour for this period. No restrictions were included in this agreement as to the amount this company should charge the people of Phoenix. The receipts are used to diminish the operation and maintenance of the canal system.

The enlargement of the canals has been expensive, owing to the necessity of carrying on work while the ditches were in use, as the irrigation season lasts throughout the entire year on this project.

Mr. ASHURST. Mr. President, it is the little foxes that destroy the vines; and usually it is the weasel words lurking in an agreement or statement that disclose its vice. I direct especial attention to these words found in the matter above referred to:

No restrictions were included in the agreement as to the amount this company (that is, the Pacific Gas & Electric Co.) should charge the people of Phoenix.

Mr. President, I now ask unanimous consent that I may insert, at the end of my remarks, a memorial of the State Senate of the Legislature of the State of Arizona, asking the Attorney General of the United States to bring suit to set aside the contract with the Pacific Gas & Electric Co. as null and void and as being strictly in violation of the Sherman antitrust law.

The PRESIDENT pro tempore. Without objection, leave is granted.

The matter referred to is as follows:

Senate joint memorial 6.

To the honorable the Senate and House of Representatives in Congress assembled:

Your memorialists, the Senate of the first State Legislature of Arizona, the House of Representatives concurring therein, most respectfully represent:

Whereas on the 22d day of June, 1907, the Reclamation Service, on the part of the United States Government, entered into a certain contract with the Pacific Gas & Electric Co., a corporation having its principal place of business in Phoenix, Ariz., which said contract related to the sale of electric power to be generated in the future by the Roosevelt reclamation project, in the Territory of Arizona, now the State of Arizona, and which said contract sold to said Pacific Gas & Electric Co. all of the electric power generated by said project to be used in the city of Phoenix, Territory of Arizona, now State of Arizona under the following terms contained in article 2 of said contract, to wit: "ART. 2. The party of the first part (the Government) further agrees while serving to the party of the second part (Pacific Gas & Electric Co.) under the terms of this contract, to refrain from entering into a general retailing of power to customers in the city of Phoenix, Ariz., or from furnishing power to anyone to be sold again or retailed. It is agreed, however, that the party of the first part shall have the right to sell or lease power in the city of Phoenix at any time in blocks of 100 to 500 kilowatts and over to anyone to be used in manufacturing industries, waterworks, or pumping plants"; and Whereas said clause in said contract creates a monopoly and a trust in favor of said Pacific Gas & Electric Co. in said city of Phoenix, relieving it from competition and allowing it to charge consumers in the city of Phoenix charges for electric power controlled and governed only by its desire and conscience; and

Whereas the Twenty-fifth Territorial Legislature of the Territory of Arizona, in session in January and February, 1909, petitioned Congress to call upon the Secretary of the Interior to investigate said contract, to the end that, if found illegal, action be taken to annul same, and the civic organizations of the city of Phoenix, its mayor, and council protested to the Secretary of the Interior against said monopolistic contract, all without avail; and

Whereas a committee, appointed by the house of representatives, is now making a general investigation of the Roosevelt reclamation project, the records of which will be available to determine certain facts as to said contract: Therefore be it

Resolved by the First Legislature of the State of Arizona, That we earnestly and respectfully petition and request the Senate and House of Representatives of the United States, in Congress assembled, to call upon the Attorney General of the United States to procure said contract, and all correspondence and papers relating thereto, and to investigate said contract, and if upon investigation it appears that said contract is unjust, illegal, and creative of monopoly, the proper proceedings be brought to obtain abrogation and annulment of the same, at least to the extent of abrogating such portion of said article 2 as grants to said Pacific Gas & Electric Co. an exclusive monopoly; and now, be it further Resolved, That the presiding officers of each house of the Legislature of the State of Arizona are hereby directed to forward to the President of the United States and the presiding officers of the Senate and the House of Representatives of the Congress of the United States and to the United States Senators and the Representatives in Congress for Arizona a copy of this memorial.

Adopted by the senate by vote of 18 ayes, 1 excused.

M. G. CUNIFF,  
President of the Senate.

May 16, 1912, passed the house by vote of 32 ayes, 1 no, 2 absent.

SAM B. BRADNER,  
Speaker of the House of Representatives.

Mr. TOWNSEND. Mr. President, I realize that there is little use in speaking at this time when Senators are not in their seats, because the only reason for making any remarks now would be to convince somebody of the opinion which the speaker might hold.

Mr. NEWLANDS. I suggest the absence of a quorum.

Mr. TOWNSEND. I would rather not have that suggestion made.

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Nevada?

Mr. TOWNSEND. I am not asking for a quorum myself; but if the Senator from Nevada insists upon it, I will yield to him for that purpose.

Mr. NEWLANDS. I think, Mr. President, that as we are about to act upon this important bill the Senate should be assembled. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Nevada makes the point that there is no quorum present. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Crane	Jones	Pomerene
Bacon	Cullom	Kern	Sanders
Bankhead	Dillingham	La Follette	Shively
Borah	du Pont	Lodge	Simmons
Bourne	Fletcher	McLean	Smith, Ga.
Bradley	Gallinger	Martine, N. J.	Smith, Mich.
Brandeggee	Gronna	Massey	Smoot
Bryan	Heyburn	Myers	Sutherland
Burnham	Hitchcock	Newlands	Thornton
Burton	Johnson, Me.	Page	Townsend
Chamberlain	Johnston, Ala.	Perkins	

The PRESIDENT pro tempore. Forty-three Senators have answered to their names, not a quorum. Without objection, the names of the Senators not responding will be called.

The Secretary called the names of absent Senators, and Mr. LIPPITT, Mr. GUGGENHEIM, Mr. FALL, Mr. OVERMAN, Mr. CATRON, Mr. RAYNER, Mr. CRAWFORD, Mr. BAILEY, Mr. SWANSON, Mr. MARTIN of Virginia, Mr. WATSON, Mr. NELSON, and Mr. WILLIAMS responded to their names.

Mr. ASHURST. Mr. President, my colleague [Mr. SMITH of Arizona] is unexpectedly and unavoidably absent from the Chamber on important public business.

The PRESIDENT pro tempore. Fifty-six Senators have answered to their names; a quorum of the Senate is present.

Mr. TOWNSEND. Mr. President, I do not recall the passage of the pending bill. It has been frequently said to-day that it was passed unanimously through this body and I assume that to be true; but I am sure, therefore, that it must have passed under unanimous consent and without discussion—at least no discussion of this measure occurred while I was in the Senate. I knew nothing about it prior to what I have heard said and what I have discovered to-day. I have, however, learned something about the measure to-day, and some matters which have been undisputed lead me to believe that it is the duty of the Senate to sustain the President's veto of the bill.

According to the statement of the Secretary of the Interior and of the President, there are various matters affecting the bond now in dispute and in process of settlement, which the passage of this bill would terminate, and such termination would be detrimental to the Government. If this bill passes not even \$42,000 may be collected on the bond, and then neither these claimants nor the Government recover anything.

There is another thing which I think is practically settled, and that is that whatever is allowed under this bill, whatever is recovered under this suit by these claimants against the bond, must be eventually carried over to the settler, and I do not think that is just or right. The settlers on these irrigation lands are quite as poor and quite as much entitled to the consideration of Congress as are the merchants who are holding claims.

As for me, if it became a question of doing an injustice to these tradesmen or to the innocent settler, I should be quite inclined to favor the latter in preference to the others; and for this reason: We all understand something of the nature of the claims that are presented in cases of this kind. If I understood the Senator from Montana correctly, these pay checks of workmen were cashed by these small dealers, as he calls them—by the merchants—and undoubtedly they were paid for out of the store, which necessarily included a profit to the dealer in exchanging his goods for their checks.

It is also clear to my mind that an unusual profit—because I am simply judging from analogy, from similar cases—undoubtedly went to the dealer. I say, therefore, if it comes to a matter of doing an injustice, if one has to be done, either to the settler who buys his land with the understanding that he is to pay the legitimate cost of the irrigation or an injustice to these men who are thriving through trade on this kind of a project, I am going to favor the settler if I can.

Mr. MYERS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Montana?

Mr. TOWNSEND. Will the Senator allow me to finish this sentence? I have not quite completed my proposition.

Now, I am in perfect sympathy with the idea that if an injustice has been committed by reason of any act of unwisdom or of ignorance on the part of the Government, then the Government should make good the loss which it has imposed upon the people who have dealt with it and relied upon the good faith and the judgment of the Government of the United States in the transaction.

Mr. MYERS. Mr. President—

Mr. TOWNSEND. I yield, now.

Mr. MYERS. I call the attention of the Senator from Michigan to these lines on page 3 of the Secretary's report. I will read them:

As to the 22,000 acres, the existing contracts, so long as they are fulfilled by the water users, are binding upon the United States. This fact precludes the shifting of any of the burden from the laborers and material men to water users on said 22,000 acres.

If it may be that any of this cost may be taxable to the lands under this project which are not yet taken, does the Senator see any harm in any settler ascertaining the amount to be taxed to the land per acre under the project, knowing what it would be, believing the land would be worth it, entering into a contract to pay the price, doing it with his eyes open, and knowing what he was doing? Do you see any objection to that?

Mr. TOWNSEND. I see very great objection. I not only read that clause, but I read further, where the Secretary states that the burdens already placed on these lands are as much as men can bear who are going to take up the property; that if the burdens of the settlers are increased, this project will not be used; the land will not be settled.

I take it that when the Government embarked in these irrigation projects it was for the purpose of doing somebody some good. It was for the purpose of opening up land which otherwise could not be used, but would remain desert, in order that it might go into use and help to supply the country with the food it needs. Any project of irrigation entered upon by the United States is supposedly intended for the use of the people—poor people.

I also recognize that while these 22,000 acres might possibly be relieved, the balance of the land would have to bear the burden.

Mr. MYERS. I would ask the Senator this further question: The Senator bears in mind that the increase per acre, if it should be taxed on at all, is less than \$1 per acre. I want him to bear that in mind.

Mr. TOWNSEND. I understand that the minimum burden, according to this, would be \$19.80 on a farm of 60 acres.

Mr. MYERS. Yes.

Mr. TOWNSEND. And the maximum is \$54.60. Those are not small items to a poor and struggling farmer on these lands.

Mr. MYERS. I will call attention to the closing sentence of the Secretary's communication:

Under these circumstances I am reluctantly compelled to advise that the bill should not receive your approval. If the lands of the project were able to bear the additional charge, I would gladly advise otherwise.

I would ask the Senator if these remaining lands are not able to bear the additional charge; does he think that statement indicates the intention of the Department of the Interior to put the charge on the additional lands which they have not sold, and which could not bear it? Would he attempt to do an impossible and a vain and a futile thing?

Mr. TOWNSEND. There is nothing clearer to my mind than that that is the intention of the department. The land would pay the extra charge if it is occupied.

Mr. MYERS. Then ruin the whole project, because of the finding of no takers.

Mr. TOWNSEND. I do not think the department would have the right to do anything else. Under this bill I do not believe the Government would have any right to pay this except as it imposed it back on the land.

Mr. President, there is a direct way of getting at this, and I have very little sympathy with either the object or the argument of the Senator from Montana when he suggests that this Congress is going to deal differently in the case of a banker than in the case of these poor people, as he calls them. I do not recall the Bellefourche case when it was up in the Senate—it probably was considered before I entered the Senate—but I can see a great difference in principle there, notwithstanding that Senators wiser than I say the principle is the same. In that case there was a written contract entered into under a mutual mistake. We could do nothing less than remedy that mistake, but if I could have had my way about it and had been present I then would have insisted that a separate bill should have been introduced, the money payable out of the Treasury, to make good the mistake that had been made and that it should not have been imposed upon the settler.

Mr. BORAH. The Senator from Michigan says when this contract was entered into there was a mutual mistake. Notwithstanding the fact that every man is presumed to know the law, the department did not know the law, and therefore they entered into that contract; but that the people who were dealing with that contract and who were furnishing money, and



so forth, under the contract were bankers, business men who had an opportunity to know just as well as anyone else what the law was, and must be dealt with with the same presumption against them that they did know the law and had the opportunity in fact to know.

Mr. TOWNSEND. There is no question about that.

Mr. BORAH. Was there equity in that case, where keen business men were involved, and none here, where laborers and those not so well advised are involved?

Mr. TOWNSEND. Does the Senator from Idaho claim for a moment that they believed that the law of 1894 was in effect and they were both laboring under a misapprehension?

Mr. BORAH. Perhaps not, or at least admit it, but they had a right to believe that the United States Government was in a position to protect those people by proper bonds and contracts by which what the Government got the Government would pay for. That is a matter every citizen has the right to assume as against the Government. I will admit that it ought to be dissipated pretty soon if this bill does not pass.

Mr. TOWNSEND. There was no allegation anywhere that there was any mistake on the part of any of the parties to this contract.

Mr. CUMMINS. I think the hearings both in the House and in the Senate show that these people who bought the time checks, these people who trusted the laborers for their groceries, and furnished material, did believe that the law of 1894 was still in force.

Mr. MYERS. Just a word, if the Senator please.

Mr. CUMMINS. And they would not have given them credit at all if they had not believed that the Government would take care of them by allowing them the first right on the bond. I think the hearings show those facts.

Mr. MYERS. Just one moment, if the Senator will permit.

Mr. TOWNSEND. I should like to answer—

Mr. MYERS. It was shown that the law of 1894 was thought still in effect and protected them, and it was repealed only a few weeks before.

Mr. TOWNSEND. These claimants were not a party to the contract—not one of them.

Mr. CUMMINS. Neither was the banker in South Dakota a party to the contract.

Mr. TOWNSEND. No; but I am saying that the parties to that contract were both laboring under a misapprehension of the law, and it was a mutual mistake that it was assented to; that it was made or entered into at the time when it was legal, but—

Mr. CUMMINS. I think the Senator from Michigan is mistaken about that. There is no suggestion that the departmental officers who made the contract were ignorant of the law. Of course they were not ignorant of the law. The truth is, as I infer, that they used a blank which had been well fitted for the case before the repeal of the act of 1894, but which was unfitted for the situation after the repeal of that law. Neither the contractor nor the department was ignorant of the law. I think it might very well be inferred that the bank which advanced the money was ignorant of the change in the law, because I fancy very few people knew the law had been changed.

Mr. TOWNSEND. The only reason I suggest why the Government and the other party were ignorant of the law is because they signed a contract which in express terms was contrary to the law. Therefore I say that I assume that they did that and that they were on equal terms—the two parties to that contract.

Mr. CUMMINS. But the law of 1905 was passed at the instance of the Department of the Interior.

Mr. TOWNSEND. There is no doubt at all about that. I am speaking about the contract entered into, which was a clear violation of existing law or under a law that had been repealed by another act. I think that if in that case, as I said before, this extra charge, \$20,000, was carried over to the landholders, it was a mistake to do it—in that case the same as in this case.

Furthermore, Mr. President, as I started to say in answer to the Senator from Montana, when he charges that one was a case of a banker and the other that of poor men, that the parties or their financial conditions have absolutely nothing to do with this case. I do not think anybody will charge that a distinction is attempted to be made here because one was a banker and the other was a storekeeper.

Mr. BORAH. No; but it results that the suggestion is true. We do not intend to do that. We have no idea of making that distinction, but it so comes about that it is made.

Mr. TOWNSEND. Does the Senator from Idaho think there is a man in the Senate who is governed by that idea or influenced by it at all?

Mr. BORAH. I do not desire to modify my statement or to enlarge my statement further than to say that, while none of us intend to do it, we so legislate that it happens to be done.

Mr. TOWNSEND. Personally I have become very tired of this kind of insinuation—something brought into a case for the purpose of appealing to prejudice rather than to reason. The Senate is constantly at work, as it ought to be at work, doing justice to poor people, granting and passing claims carrying thousands of dollars to aid people who are in distress who have no claim against the Government at all. I have never voted against a bill that I thought had merit in it that was founded on justice or equity or right. If it can be proved that these storekeepers actually paid out the money on these claims—and I insist that that is a matter which ought to be determined, and would be if it was a question standing alone—if that could be determined, I would be very glad, indeed, to vote money out of the Treasury to reimburse these people for what they lost or had to pay.

Mr. CUMMINS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Iowa?

Mr. TOWNSEND. I yield.

Mr. CUMMINS. Is the Senator from Michigan familiar with the hearings on this bill?

Mr. TOWNSEND. I am not. I just looked them over a little bit this morning. The first time I ever heard of this case in detail was when it was brought up in the Senate to-day.

Mr. CUMMINS. I may, then, without offense, advise the Senator from Michigan that the very fact which he suggested ought to be proven, was proved over and over again in the hearings.

Mr. TOWNSEND. Then that step would not have to be taken. But that does not modify my position at all. I said if the claim was just or had been established or could be established I would vote to pay it.

Mr. CUMMINS. I may say again that these poor people wanted it done in that way. They asked the Government under all the circumstances to reimburse them, and the committee refused to consider that proposition at all, believing that this was the way in which it should be done.

Mr. TOWNSEND. What committee?

Mr. CUMMINS. The committee to which it was referred.

Mr. MYERS. The House Committee on Irrigation.

Mr. TOWNSEND. Was it ever presented to the Senate Committee on Claims?

Mr. CUMMINS. I do not know. I think not.

Mr. TOWNSEND. I know the bill never was presented to that committee at a time when I was present.

Mr. CUMMINS. The other committee has just as keen a sense of justice as has the Committee on Claims, and that was the original idea, that they should be reimbursed in that way; but, following the advice of the members of the committee to which the bill was referred, this course has been taken by these people, and now it is proposed, because that advice was followed and the bill appears in this form, to turn them out with the suggestion that at some future time they can get before the Committee on Claims.

Mr. TOWNSEND. I insist it is the proposition to shift the burden from some storekeepers out in the western country to the landholders—the people there who have been buying the land under this project—and they would have to bear the burden instead of the others.

Mr. CUMMINS. That is not the proposition at all.

Mr. TOWNSEND. I think it is.

Mr. CUMMINS. It is utterly impossible under the law that that shall be the result. This additional assessment can only be made upon those lands to which as yet no right whatsoever has been granted or in which no right has accrued.

Mr. TOWNSEND. That is an admission of the correctness of my contention, that the lands have to pay it.

Mr. CUMMINS. Then, I suppose the Senator from Michigan is willing to adopt the policy that the United States must dispose of its public resources at cost. Is he willing to dispose of all of the public resources at cost, as he seems to desire to dispose of this particular piece of land at cost?

Mr. TOWNSEND. I do not quite understand the Senator.

Mr. CUMMINS. What I mean is this—

Mr. TOWNSEND. I desire to state to the Senator that I do not understand him.

Mr. CUMMINS. Then, I may repeat a little of what I said this morning.

This project was intended to irrigate, and it was estimated that it would irrigate, 150,000 acres of land. Twenty-two thousand acres of that area have been entered and sold; contracts have been made with men concerning 22,000 acres.

Mr. TOWNSEND. I understand that.

Mr. CUMMINS. And there is no suggestion that any part of this increased cost shall be assessed against the 22,000 acres sold or entered. One hundred and twenty-eight thousand acres remain. It is a part of the public domain. The Government owns it, and I suppose it is its business to sell it at a fair profit. That is the general policy of the Government.

Does the Senator from Michigan perceive any injustice in taking the real cost of this project and apportioning it upon the 128,000 acres, holding the land out to the world and saying, "Come, if you want to buy this land at this price; we will sell it to you; but if you do not want to buy the land at this price, you need not." Who is injured by that proceeding?

Now, let me say further, because I know the Senator from Michigan wants to be just, this project has cost the Government all this money. The \$42,000 represented here by the beneficiaries of this bill was put into this project—their material went into this project. When the Government took possession of the work, took it from the contractor, there was on the ground a part of the material represented in this sum of money, and it was taken by the Government and used by the Government in the further construction of the tunnel. The project is fairly worth all that has been paid by the Government.

The real truth is that nobody is to blame here especially. I do not criticize the Government officials save in taking an inadequate bond; but the real truth is that there was a mistake as to the character of the earth at the point through which this tunnel passes, and the contractor took the contract believing it was of one kind, but it turned out to be another. What the Government agreed to pay him for it was not enough to compensate him for doing it.

Therefore as he went along with the work he could not pay for his material, he could not pay his labor, he could not pay for supplies out of the money which the Government had agreed to pay him. There should have been in the contract, of course, a provision which would have protected the contractor in the event of the discovery of different material, which was more expensive to take out of the tunnel, but there was not.

Now, does the Senator from Michigan believe that under those circumstances a man who goes in next year or the year after and takes a farm upon this project can do it in good conscience when he is using and utilizing the material and the supplies and the labor for which no payment has ever been made? I do not think that is equitable. I do not believe the Senator from Michigan will believe it to be equitable.

Mr. TOWNSEND. I have spoken with poor results if I have not convinced the Senator from Iowa and the Senate that I am not contending for any such proposition as he has stated. I have insisted that the Government should pay for this extra cost.

The Senator asked me if there is anything wrong in having the men who are going to take up these claims pay this extra cost or the pro rata share, whatever it may be. As I said to the Senator from Montana, the Government undertook this project of irrigation on the theory that it was going to furnish opportunities for farming which could be taken advantage of by the settlers. The Secretary states here that the engineer of the Reclamation Service advises that the water-right charge already imposed and to be imposed upon the lands in this project, in view of the nature and value of the land, now is at the maximum of safety.

Mr. CUMMINS. May I suggest, if that is true and this is put upon the land, then there will happen what the Senator from Michigan thinks ought to happen, namely, the loss will be borne by the Government of the United States, for if no one comes there to buy, it will remain the property of the United States.

Mr. TOWNSEND. Of course, and not be used.

Mr. CUMMINS. And not be used.

Mr. TOWNSEND. And the very object for irrigation will have been defeated.

Now, if there are certain legitimate charges that ought to have been imposed, and then through some mistake, either through a failure to understand the nature of the soil through which this tunnel must be constructed or anything else, that would have made the project unreasonable to start with and possibly, therefore, it would never have been undertaken, that contingency should be met by the Government and should not be loaded upon this project, or upon the men who are going to take advantage of it, or might take advantage of it. Else it will not be used, and the object and the whole expenditure will thus become worthless. It would result in an extravagant waste of money, because it can never be utilized.

Mr. CUMMINS. Then the remedy is with Congress.

Mr. TOWNSEND. Sure.

Mr. CUMMINS. Congress can immediately say that the land shall be sold at one-half of the cost. Congress has it all in its own hands.

Mr. TOWNSEND. It has; but the Senator's remedy is not a specific. Mr. President, there is another element to which I wish to call attention very briefly—and I have spoken now longer than I expected. I have been on the Committee on Claims of the Senate long enough to understand that whenever anybody enters into a contract with the Government and fails the Government is asked to reimburse him, to make him good. That is a very common thing which we experience here in Congress, and especially in the Committee on Claims.

I take it there must have been some good reason for changing the law of 1894 by the act of 1905; and yet, now that we have a law giving the Government priority to the provisions of a bond over other claimants, we propose to set that law aside and to open the door to every contractor, who would neglect to pay for his labor and material, knowing that the Government would pay these bills, and he be permitted to evade the provisions of the contract which he so eagerly sought and obtained. I think it is a very good plan to adhere to a contract and to observe the law. The contract should be a just one; but once made, its provisions should be enforced. I believe this is a wise course for the Government to follow. No one is wise enough to foretell what serious effects may flow from the passage of the pending bill. It will establish a precedent which may arise many times to plague us. If these claimants have suffered injury, and the Government, through its agents, is responsible for that injury, let a bill be introduced and compensation rendered out of the United States Treasury; but do not punish innocent people, who are quite as poor as these claimants, by shifting this burden upon them. If we are going to be generous with the people's money and property, let us at least be equitable in its distribution.

I submit, Mr. President, that for these and other reasons the President's veto should be sustained.

Mr. CHAMBERLAIN. Mr. President, I wish to make a brief statement in reference to the matter. I desire to call attention to the fact that the Government is not entirely free from blame in this matter, and I want to prove that fact by a statement from the project engineer himself.

In the first place, the contractor was governed a good deal by the plans and specifications as prepared by the Government engineers. In the very nature of things he could not examine into the condition of the soil where this tunnel was built, and because the contractor found conditions very different from those mentioned in the plans and specifications he was put to a very much larger expense than would have ordinarily been the case.

The supervising engineer, Mr. H. N. Savage, called upon the project engineer at this particular tunnel for a statement as to conditions with reference to the tunnel after the contractors had failed, and in reply to Mr. Savage, the supervising engineer, Mr. Sellev, the project engineer, called attention to the fact that surface elevations over the tunnel line taken in August, 1906, by the Government engineers varied materially from those indicated on the drawings. He called attention to the fact that while the Government engineers had estimated that there was no water in the tunnel, when the contractor got to work he found there was water in the tunnel, and it necessitated putting in pumps.

In addition to that, the Government engineers compelled the contractors to make a variation in the tunnel itself, compelling them to lower it a good deal at the lower end of the tunnel over the plans and specifications, and about this the contractor could not say a word.

In the conclusion of his statement to the supervising engineer he makes a statement in his letter which I will read. I call the attention of the Senate to the fact because there were Government officials there after the Government had completed the work who stated that the Government ought to treat these contractors justly under the circumstances, as they had found conditions very different from the reports made by the Government engineers. Here is what Mr. Sellev says:

I have attempted to merely call attention to the several points above, and as you are so familiar with the details, elaboration on my part is unnecessary. From our conversation at Cheyenne I inferred that in the final adjustment of the Corbett contract the Government would approach the subject from all sides, and the claims of the contractor would receive careful attention. I certainly hope that such is the case, for I am firmly convinced that the conditions at Corbett were no more anticipated by the engineers than by the contractor, and it would be unfair to charge up to the contractor the cost of difficulties that he had no means of foreseeing and which the surveys and investigations of the Government failed to develop.



This letter is dated December 9, 1907, showing that the project engineer himself recognized that the contractor had not been treated with entire fairness, and in dealing with him upon the subject it ought to be taken as evidence of the fact that the contractors had taken the work at a very much lower cost than they ought to have undertaken it; that after the Government took charge of it, although the contractors agreed to do the work for something like \$550,000, it cost the Government of the United States nearly \$200,000 more to complete the work. Still it is insisted that the Government is entirely free from blame.

I am simply calling attention to this to show that the Government itself through its proper officers there admitted that they had been guilty of some carelessness and through this carelessness the contractor had been measurably misled.

Mr. NEWLANDS obtained the floor.

Mr. MYERS. I wish to make a request.

Mr. NEWLANDS. I yield to the Senator from Montana.

Mr. MYERS. I understand that the Senator from Ohio [Mr. BURTON] had given notice that he would deliver an address to-day. I was not aware of that when this matter ran over the morning hour. I do not wish to interfere at all with his notice, and I now ask that the consideration of this bill and the Presidential veto thereof go over until the morning hour to-morrow, subject to be called up and the consideration thereof to be resumed at that time.

The PRESIDING OFFICER (Mr. SMITH of Michigan in the chair). The Senator from Montana asks unanimous consent—

Mr. SMOOT. Is it the request that the bill shall be taken up immediately after the conclusion of the morning business?

Mr. MYERS. Yes.

Mr. SMOOT. Before that is done I should like to ask—

The PRESIDING OFFICER. The Senator from Utah will permit the Chair to state the request. The Senator from Montana asks unanimous consent that the measure now before the Senate and the veto message shall be laid aside and be taken up to-morrow at the close of the morning business.

Mr. SMOOT. I simply wish to say that I shall move immediately afterwards, if that is agreed to, that when the Senate adjourns to-day it shall adjourn to meet to-morrow morning at 10 o'clock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and that course will be taken.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the joint resolution (S. J. Res. 127) authorizing the Secretary of War to supply tents and rations to American citizens compelled to leave Mexico, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 20728) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1913, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. STEPHENS of Texas, Mr. CARTER, and Mr. BURKE of South Dakota managers at the conference on the part of the House.

#### ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills and they were thereupon signed by the President pro tempore.

H. R. 16518. An act for the relief of the Fifth-Third National Bank of Cincinnati, Ohio; and

H. R. 18041. An act granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii.

#### RELIEF OF AMERICAN CITIZENS AT EL PASO, TEX.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 127) authorizing the Secretary of War to supply tents and rations to American citizens compelled to leave Mexico, which were, on page 1, line 3, after "authorized," to insert, "to expend not to exceed the sum of \$20,000 out of any unexpended balance of the money appropriated for the Mississippi flood sufferers May 9, 1912"; on page 1, line 5, to strike

out "all"; and on page 1, line 7, after "who," to insert, "have no other means of obtaining shelter and food and."

Mr. SMOOT. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

#### INDIAN APPROPRIATION BILL.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 20728) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1913, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CLAPP. I move that the Senate insist upon its amendments and agree to the conference asked by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to, and the Presiding Officer appointed Mr. GAMBLE, Mr. CLAPP, and Mr. CHAMBERLAIN conferees on the part of the Senate.

#### HOOR OF MEETING.

Mr. SMOOT. I move that when the Senate adjourns to-day it be to meet to-morrow morning at 10 o'clock.

Mr. BAILEY. In view of the fact that it is difficult to get Senators here at 11 o'clock, I think that ought not to be done unless there is some good reason for it. If there is a special reason, I will make no objection; but the roll has to be called to get a quorum here even at 11 o'clock.

Mr. SMOOT. It is evident that it is going to take some more time to discuss the question which has been before the Senate, and I understand there are no committees specially that meet to-morrow.

Mr. BAILEY. To what question does the Senator refer?

Mr. SMOOT. To the veto message of the President.

Mr. BAILEY. It might be better to save the time and pay the money.

Mr. SMOOT. That may be true. I know the matter is going to be discussed for some time yet. I understand that the Post Office appropriation bill has not yet been presented to the Senate. The chairman of the committee would like to present it to-morrow, but he would not like to present it before 12 o'clock.

Mr. CUMMINS. Mr. President—

The PRESIDING OFFICER. The Chair will state the motion of the Senator from Utah and will then recognize the Senator from Iowa. The Senator from Utah moves that when the Senate adjourns to-day it be to meet to-morrow at 10 o'clock.

Mr. SMOOT. I am informed that there are certain meetings which have been appointed for to-morrow morning in which Senators on the other side are interested. Therefore I will modify the motion and make it 11 o'clock to-morrow.

Mr. CUMMINS. While I will not make any objection to the modification as proposed, I believe we ought to meet at 10 o'clock from now until the close of the session. There are some of us who are getting tired of staying here, and we want to dispatch the business that is to be done as quickly as possible.

Mr. BAILEY. Let us hold night sessions, then.

Mr. CUMMINS. I am perfectly willing to hold night sessions. I am sure of only one thing, and that is that we ought to give more hours to the business in hand if we are to get away within any reasonable time.

The Senator from Texas says that it will be hard to secure a quorum at 10 o'clock. It is hard to secure a quorum at 3 o'clock in the afternoon. We have but a dozen Senators or so who stay here all the time. We might as well do business with them at 10 o'clock in the morning as at 3 o'clock in the afternoon.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah that when the Senate adjourns to-day it be to meet to-morrow at 11 o'clock.

Mr. BAILEY. Mr. President, we can generally find a quorum in the cloak room. Senators are in hailing distance. I am perfectly willing myself to come at 11 and adjourn at 5 and come back at 8, but there is not a Senator in the body who can come here for two weeks at 10 o'clock and stay until 5 or 6 and escape a headache toward the close of every session. This room is built on the principle of a jail, anyway; it is a building within a building; the ventilation is bad; and five hours steadily are as long as any man can remain in this Chamber.

Mr. CUMMINS. I agree to all that. While it may be that the ventilation is bad and the room is bad, a certain number of

hours must be spent here in order to do the business we must transact; and it seems to me it does not make any difference whether it is from 10 to 6 or from 11 until later in the evening.

Mr. BAILEY. The difference is this: If we convene at 11, recess at 6, and come back at 8, we have two hours during which we go about our several ways and come back to the Chamber more or less refreshed.

Mr. CUMMINS. I am perfectly willing for any disposition of the hours of the day. I do know that we must spend here more hours than we have been spending or we will spend the summer and the fall.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah that when the Senate adjourns to-day it adjourn to meet to-morrow at 11 o'clock.

Mr. SWANSON. Mr. President, I suggest to the Senator from Utah that we have a Democratic caucus which meets to-morrow morning at 10. I am satisfied from having attended those caucuses and from the disposition to speak at them that its work will not be concluded by 11.

Mr. SMOOT. Will not one hour be sufficient?

Mr. SWANSON. It will not be sufficient. It usually takes a day for a Republican caucus, but we usually get through in two hours. I suggest that the Senator make the hour of meeting to-morrow 12 o'clock.

Mr. SMOOT. I really think it would not inconvenience Senators to meet at 11 o'clock. If we are going to get through with the business of the session and get away at any time in the early part of August, I really believe we shall have either to begin meeting at 10 o'clock or to hold night sessions, and so that there may be no misunderstanding and no complaint about it, I give notice now that I shall ask the Senate, day after to-morrow, to begin meeting at 10 o'clock or else hold night sessions, and let the Senate decide the question.

Mr. MARTIN of Virginia. I do not think it has ever happened in the history of the Senate that there has been a disposition to interfere with the convenience of the entire body of Senators on one side of the Chamber.

Mr. SMOOT. I will ask the Senator if he feels that 11 o'clock is too early to meet to-morrow?

Mr. MARTIN of Virginia. I do. I would rather have the Senate meet at 12 o'clock.

Mr. SMOOT. Then, Mr. President—

Mr. BORAH. I am perfectly willing to hold a session to-morrow night.

Mr. MARTIN of Virginia. I am perfectly willing, as far as I am concerned, to meet to-morrow night, and to meet at any hour that is convenient to Senators on the following day.

Mr. BORAH. With the understanding that we shall have a session to-morrow night, I will not oppose the proposition to meet to-morrow at 12. Otherwise I shall oppose it.

Mr. SMOOT. Then I will withdraw the motion, so that when we adjourn to-day we shall meet at the usual hour to-morrow.

The PRESIDING OFFICER. The Senator from Utah withdraws his motion.

Mr. MARTIN of Virginia. So far as a night session is concerned, I expressed only my individual opinion. I do not want any Senators to assume that there will be no opposition to a night session. I say that for myself personally it is entirely agreeable to me. That is all I meant to say.

#### HIGH PRICES AND HIGH COST OF LIVING.

Mr. BURTON. Mr. President, on the 20th of this month I gave notice that to-day I should address the Senate on the subject of high prices and the high cost of living. The discussion of the bill vetoed by the President has taken a great deal of the time, and I am obliged to the Senator from Montana [Mr. MYERS] for yielding to me.

I wish to ask consent to print in the RECORD divers tables and other material with which I do not desire to detain the Senate.

The PRESIDING OFFICER. The request of the Senator from Ohio will be granted unless there is objection. The Chair hears none.

Mr. BURTON. I am also anxious that I shall not be interrupted during my address. When I am through I shall be very glad to answer any inquiries which may be propounded.

#### HIGH PRICES.

Among existing causes of popular discontent none is more prominent than the prevalent high cost of living. This phenomenon is plainly in evidence, but the reasons given for its existence include an infinite variety. Tariff laws, fiscal policies, dominant political parties, gold production, the trusts, Wall Street, Congress, the exactions of middlemen, and the

grasping disposition of merchants, manufacturers, and others, are all indiscriminately blamed for present conditions.

It is evident that not all of these conflicting explanations can be correct and that in seeking the causes of these economic tendencies many prevalent opinions are likely to be erroneous. In each of the last four decades there have been periods of approximately five years in which prices varied materially from the normal level. In the last decade high prices were the feature. In the first three, beginning with 1871, 1881, and 1891, respectively, complaint rested upon low prices. In explaining this condition there was the same contrariety of opinions.

In referring to prevalent low prices and slackened trade in 1878, Prof. Jevons says:

It is curious to notice the variety of explanations offered by commercial writers concerning the cause of the present state of trade. Foreign competition, beer drinking, overproduction, trades-unionism, war, peace, want of gold, superabundance of silver, Lord Beaconsfield, Sir Stafford Northcote, their extravagant expenditures, the Government policy, the Glasgow Bank directors, Mr. Edison and the electric light, are a few of the happy and consistent suggestions continually made to explain the present disastrous collapse of industry and credit.

It is the aim of this inquiry to ascertain, if possible, the actual causes for the high prices which now prevail. Are there not far-reaching influences controlling sowing and reaping, production and distribution, influences antecedent to and governing the disposition and methods of manufacturers, merchants, business men, and laborers, which are responsible for the phenomena of to-day? It is with the conviction that such is the case that I shall endeavor to set forth certain fundamental facts which adequately account for the situation and eliminate from consideration certain explanations of the course of prices which are manifestly fallacious. At the outset the great general fact must be recognized that the high cost of living is plainly manifest among all advanced nations and approximately in proportion to the degree of progress each has made along industrial and commercial lines. The countries in which the phenomenon attracts least attention are those which are least advanced in civilization.

Reasoning from general principles, it is inevitable that this must be the case. In a time of progress, when invention is furnishing every few years some new implement or facility, there is a constant demand for each successive novelty, and as a result increased expenditure, extravagance, and higher prices must ensue. Progress in European countries and in localities in Asia and Africa, where European influence has been felt, though less marked, has been similar to that in our own. The same results must follow this progress—increased consumption, unequal production of different commodities, and tendencies toward waste and extravagance. The general principles are amply sustained by a recital of actual prices.

In a single newspaper published in Paris last September, there were paragraphs giving accounts of meetings in Berlin, Switzerland, Bohemia, Silesia, and Galicia to protest against high prices, some of which were attended by violence. In other papers about the same time there were paragraphs giving accounts of bread riots in France and of loud complaints against the high cost of living in England and Belgium.

I subjoin as an appendix a list of extracts from reports of American consular officers abroad, together with tables of price ranges in various foreign cities, gathered and compiled by Mr. O. P. Austin, of the Bureau of Statistics, Department of Commerce and Labor, a few of which I will quote.

These reports all point in one direction—rising prices in the British Isles, in Germany, in France, in Spain, and elsewhere. In this latter country the consul at Valencia states:

There is much popular dissatisfaction with the high cost of food-stuffs in Spain.

The consul at Malaga says:

The problem of greatly increased cost of living is as acute here as in the United States. All the necessities of life have gone up steadily in price, and there does not seem to be any immediate relief.

It will be noted that the consul at Patras, in Greece, says:

The same amount of money expended by a family per annum in Greece and the United States would secure in the latter country a larger degree of the comforts and luxuries of life than in the former.

In Italy, the consul general at Genoa says:

The past few years have witnessed a general increase in the cost of living throughout Italy.

The consul at Milan says:

In no place in Italy is the increased cost of living more keenly felt than in Milan. The price of meat is steadily increasing. House rents have advanced 30 per cent in three years.



#### The consul general at Vienna states:

In common with the rest of the world, Austria has been affected by the increased cost of living, and complaints are made on every hand. Unrest over the increased cost of living showed itself in a nation-wide protest against the price of meat.

#### The consul at Reichenberg states:

In all parts of Austria meetings have been held recently to protest against the continuous advance in prices of all kinds of foodstuffs. Prices had advanced so rapidly in all food products as to have the effect of creating most distressing conditions.

#### The consul general at Moscow states:

The increased cost of living throughout Russia is perhaps felt more keenly in Moscow than in any other city of the Empire. Conditions have become so serious that many plans have been mooted for the relief of the people.

He shows, by tables giving the prices of meats, that some grades have doubled in cost, while there has been a general advance in food products of 20 per cent, and often much more, in the five years from 1903 to 1908.

The increase extends to China, where the consul at Nanking says:

It is a matter of grave concern to observe from year to year the increasing cost of living which, of course, includes every item of household expenses.

The consul generals in Japan say that the increase in the cost of living is even more marked than in China. The consul general at Yokohama says:

During July and August, 1911, the price of rice on the Tokyo rice and other grain exchanges advanced to nearly \$2 per bushel, a price never before reached in Japan.

#### The consul general at Kobe says:

According to an article in a Japanese newspaper, prices have gone up in Japan over twofold in the last 20 years—

and he states that the Japanese rate of advance has been greater than that in London or New York.

The same phenomenon is apparent in Syria, where the consul reports that outside of a few staple articles, such as coffee, sugar, petroleum, and a few others of less importance, the cost of living has increased 20 to 50 per cent within the past year. Prices of meats have risen over 30 per cent, and butter in proportion. Household servants and similar employees demand from 50 to 75 per cent more than formerly.

#### The consul at Harput, in Asia Minor, says:

One of the inexplicable things in connection with this country is the remarkable increase in the price of everything, and there is not one article that goes into any of the relations of life that has not almost doubled in price during the past five years.

The consul at Port Elizabeth, Cape Colony, South Africa, says:

The cost of living in Port Elizabeth is high and would equal that of American cities of equal size.

As regards the comparative cost of living of wage earners in Europe and the United States, President Gompers, of the American Federation of Labor, said in an article printed in the American Federationist for January, 1910:

Mentally contemplating the many cities I visited, and having in mind the conversations I had with workmen who had lived both in Europe and America, I believe I may assert that whether the cost of living in Europe or America is greater to the workman depends entirely upon the standard of living he adopts while in America. If he voluntarily lives the life of self-denial in this country that he compulsorily lived in his native land his outlay in money will remain about the same. Even then he will hardly be able to escape gaining something from the superior quality of the good things of life in America.

Living is cheap to the wageworker in Europe only because he does without what in America soon becomes a necessity to him—food in good quantity and quality, presentable clothes among his aspiring fellow countrymen and their families, and a comfortably furnished home in quarters responding to his awakened desires and freer life. Fine wool and silk stuffs, furs, laces, and kid gloves cost less abroad than in the United States, a fact, however, which bears as lightly in an inquiry into the conditions of the masses as does the tariff on the masterpieces of art. The main conclusion as to housing is the same as that relating to food: If the immigrant to this country is willing to continue living here at the same level he was obliged to accept in his native land, he can find it for the same money.

So far as we have data, the same phenomena of high prices were in evidence in earlier times in the most progressive and civilized countries. In those days increased resources were partly obtained by the spoils of conquered provinces, which in a measure supplied the increased wealth afforded by the industrial and commercial progress of modern times.

Mr. Boeckh, the German economist, who made a study of finance in Greece, states that in the time of Solon an ox in Athens cost 5 drachmas, or about 85 cents; a sheep, 1 drachma, or 17 cents; a bushel and 3 gallons of corn, the same. Two hundred years later, after the marvelous progress made by the

Athenians, prices rose to 5 times, and in many cases to 10 or 20 times, their former amount. In addition to the spoil obtained by successful military operations, progress was made in mining in the islands of the Mediterranean, in Attica itself, and in Thrace and the island of Thasos. In Rome it is more difficult to trace the changes in prices of food. Corn was sometimes exacted as a tribute from conquered countries and sold by the state at less than cost, or even given away. Cattle and corn, however, increased in price. About 400 B. C. sheep sold for about 17 cents each. At the date of the Christian era the price was the equivalent of \$6.25. The Romans, like the Athenians, gained wealth from the spoil of conquered countries and acquired gold and silver from their mines. After the Punic wars mines were obtained from the Carthaginians in the western part of Africa, in Sicily, in Sardinia, and the south of Spain. At a later time the mines of Greece and Asia Minor, and still later the mines of Macedonia and Thrace, came into the possession of the Romans.

It is to be noted that with the decline and fall of the Empire in the year 476 A. D., there was a lapse, if not into barbarism, at least into less civilized conditions; prices fell and industrial activity and the mining of the precious metals declined.

In referring to these conditions Mr. Jacobs, in his excellent history of the Precious Metals, says:

In this period from about 480 to 670 or 680 the greatest diligence has been able to discover no trace in any author of the operations of mining having been carried on.

Such operations are alike suspended or less productive of results in less progressive periods and in time of war and political disturbance.

Mr. Jacobs also says:

When the Mahometan power arose, its aspect was sufficiently terrific to continue the suspension of the mines. The precious metals were sought not by exploring the bowels of the earth, but by the more summary process of conquest, tribute, and plunder.

There is extant a dialogue which was printed in England in the year 1581, attributed to one W. S., afterwards reprinted about the year 1751 by an enterprising publisher, and ascribed to William Shakespeare, a manifest effort to obtain a greater sale by deceit. Careful examination of contemporaneous facts shows that this interesting dialogue occurred in the year 1549, when England was beginning to feel the effect of the great awakening which followed the discovery of America, the invention of printing, and other great advances in civilization. The participants in the dialogue are a knight or owner of land, supposed to be Mr. Thomas Hales; a doctor of divinity, who, as it is conjectured, was Bishop Hugh Latimer; a husbandman; a tenant farmer; a merchant; a mercer; and a capper. This document is exceedingly valuable for students who are considering the subject of high prices, for if we leave out the influence of the larger aggregations of capital and the characteristic features of modern business, practically every reason for a rise in prices is advanced in it. Each ascribed the responsibility for the existing situation to faults related to the occupation of the other. Views are expressed upon the benefits of protective tariffs against foreign products, upon the balance of trade, upon the exactions of the middleman, upon the increase in rents of agricultural land. One of the participants in the dialogue expresses the opinion that avarice is the cause of high prices. Another enumerates the great increase in the cost of necessary articles and says:

Within these eight years you could buy the best pig or goose that I could lay my hands upon for 4 pence, which now costs me 8 pence, and a good capon for 3 pence or 4, a chicken for a penny, a hen for 2, which will now cost me double the money, and it is likewise of great ware as of mutton and of beef.

A subject which has received much modern discussion as to whether price determines rent or rent price was treated in the dialogue. It was maintained that price determined rent, and not rent price. One cause of the increase of prices which was pointed out in this dialogue is the clipping of coin, which caused the good coins to go abroad for use in foreign trade. There were, however, more universal causes than this. Bodin, a French political philosopher of the last half of the sixteenth century, states, as an undoubted fact, that there had been a revolution in prices. He gives six reasons for it:

- (1) The great abundance of gold and silver, which resulted in a decrease in its purchasing power. The discovery of America and the increase of commerce and the development of banks caused the great abundance.
- (2) The monopolies of the guilds and of the tax farmers.
- (3) The ease with which wine and corn—the chief products of France at that time—might be exported, thus increasing the price at home.

- (4) The extravagance of the court.
- (5) The general leisure in the community.
- (6) The debasement of money, a practice which was prevalent in France at that time.

These reasons, while perhaps not recognizing the great general fact of the demands of an advancing civilization, will bear the test of analysis to-day.

There are potent reasons why the increase in prices, and especially in the cost of living, should be greater in the United States than elsewhere:

- (1) The unusually disproportionate growth of urban and rural population.
- (2) The greater increase in average consumption.
- (3) The higher scale of wages and higher standard of living.
- (4) The temptation to overexpansion of industrial and commercial enterprises by reason of the abundance of natural resources.
- (5) The pressing demand for capital and consequent high rates of interest.
- (6) The exceptional opportunity for speculative trading always characteristic of new or comparatively new countries.

On examination I think it will appear that the prevailing high prices can be traced to three very manifest and important causes, the application of which to the present problem has in a measure been overlooked:

- (1) The phenomenal progress of recent years.
- (2) The striking inequality of this progress in different branches of human endeavor.
- (3) The inevitable tendencies in every progressive era to extravagance and waste in expenditure and to the diminished productive energy of a large share of the population.

The second and third causes are subordinate or incidental to the first and closely associated with each other. Let us examine the effect of each in its order:

(1) Progress: Notwithstanding long periods of inertia and even of retrogression the dominant note in the history of the race has been that of progress. This has been especially true in the last 100 years, or, to fix an exact date, since the close of the Napoleonic wars in the year 1815. Beginning at that time there has been a more peaceful disposition among nations. Human effort has been less occupied with warfare and more with the development and utilization of the world's resources. This has been accompanied by a constantly increasing development of commerce and industry, which has made its influence felt in both production and consumption. The advancing movement has gained in intensity in almost every successive decade. As ever, scientific progress has been in the van, followed by material, intellectual, and political progress. Science has given to mankind a constantly increasing control over nature. Inventions and discoveries have greatly multiplied the supply of useful articles adapted to satisfy human wants.

Modern means of communication by steamship and railroad, the readier transmission of news by telegraph, cable, and the wireless, the increasing scope of industrial and commercial enterprises and large-scale operations have all powerfully promoted a readier exchange of products within national borders and in international trade. It is now easy to obtain useful articles even from the remotest parts of the earth. More perfect means of communication, together with the diffusion of intelligence, have promoted political progress, the assertion of popular rights, and greater equality of opportunity, so that each individual may occupy a field of endeavor which was denied under the less favorable conditions which formerly existed.

One marked effect of this progress is the alleviation of the struggle for existence, with the resulting opportunity to acquire greater skill and to discover new methods of production. The requirement of less effort in obtaining the necessities of life gives a wider scope to human enterprise, and makes it possible to multiply the achievements which contribute to the betterment of the race.

These factors have made possible a rising standard of living, which is the most striking feature of present-day civilization, especially here in America. As a result the conveniences and luxuries of one generation are regarded as necessities in the next. Wealth and the consequent enjoyment of conveniences and luxuries are no longer limited to the few. Even in humbler homes a standard of living is made possible which was beyond the fondest hope entertained by generations that have scarcely passed away. The resources of the world have been so developed that abundance is the possession of the most favored peoples, at least a relative abundance, for while many still suffer from the sting of poverty the great body of the people of the

more progressive countries enjoy much larger opportunities and larger control over the comforts and necessities of life. The environment of a refined civilization, as well as the opportunity for education and the wider scope afforded to human endeavor, kindle a desire for better conditions. They awaken new desires, create new wants, stimulate taste, and everywhere result in a demand that the higher aspirations of human nature be gratified. These tendencies are manifest in the general and growing demand for better houses, not only with ordinary facilities and comforts but with some of the luxuries; better clothing, involving quantity, texture, and particularly style; better food, more in quantity, greater in variety, and of superior quality. Along with these there is a desire for the wider outlook which is afforded by higher education, by the pleasures of social life, and an insistent demand for leisure and amusement.

As wealth accumulates in communities, a much larger share of the population withdraws partially or wholly from active or productive employment and gives attention to the gratification of personal tastes and desires. Within reasonable limits all these tendencies are a cause for felicitation rather than for regret. It should never be forgotten that, until a few years since, the most bitter complaints were uttered in periods of low prices. These were regarded as indicative of industrial depression and were accompanied by diminished employment. Legislation and administrative policies alike were blamed, sometimes most unjustly, because of the existence of a low price level. On the other hand, increased prices were very generally regarded as affording an impetus to business activity and promoting universal prosperity.

The statistics of per capita consumption are especially illuminating, notably in the case of food. Some tables prepared by Prof. Richmond Mayo-Smith, one of the ablest of our statisticians in the last decade of the last century, set forth clearly the increased consumption of divers articles in several countries of Europe in periods of about 20 to 25 years:

*Annual consumption per capita in different countries in different years.*

Article and country.	Date and quantity.	Date and quantity.	Increase.
	1862.	1882.	<i>Per cent.</i>
Meat, France.....	25.9 kilograms.	33 kilograms ..	27.41
	1868.	1890.	
Meat, England.....	100.5 kilograms	124.5 kilograms	23.88
	1871-1875.	1891-1895.	
Tea, Germany.....	0.02 kilogram..	0.05 kilogram..	150.00
Petroleum, Germany.....	3.75 kilograms.	14.82 kilograms	295.20
	1871.	1896.	
Flour, United Kingdom.....	150 pounds....	257 pounds....	71.33
Tea, United Kingdom.....	3.91 pounds....	5.77 pounds....	47.57
Eggs, United Kingdom.....	12.6.....	40.....	217.46
Butter and margarine.....	4.7 pounds....	11.1 pounds....	136.17
Cocoa.....	0.23 pound....	0.62 pound....	169.56
Bacon and ham.....	3.4 pounds....	15.9 pounds....	367.64
Refined sugar.....	5.28 pounds....	41.53 pounds..	686.55

*Consumption and price of wheat in European countries.*

Country.	Year.	Per capita consumption.	Price per imperial quarter.
		<i>Lbs.</i>	<i>s. d.</i>
Germany.....	1890	134	41 2
	1891	123	47 6
	1894	148	26 11
	1910	172	43 8
France.....	1890	504	44 1
	1891	402	47 10
	1895	483	32 9
	1910	371	43 7
United States.....	1890	275	33 9
	1891	338	37 7
	1894	275	21 ..
	1910	408	33 5

<sup>1</sup> High.

<sup>2</sup> Low.

The census statistics of our own country show a marked increase in the consumption of such staple products as cotton, wool, wheat, corn, and sugar. The increase in consumption between the years 1890 and 1910 has been much greater than in production, with a resulting rise in prices. The increase from the period 1871-1880 to 1910 is even more striking, as shown by the tables following.



Table showing the increase of production and the relatively greater increase of consumption for enumerated products, together with per capita consumption and price.<sup>1</sup>

Commodity.	Amount of production.		Per cent of increase.	Amount of consumption.		Per cent of increase.	Per capita consumption.		Price.	
	1890	1910		1890	1910		1890	1910	1890	1910
Cotton.....bales..	8,562,089	12,005,688	40.2	2,604,491	4,559,002	75.0	20.6	24.8	\$ 0.0793	\$ 0.1511
Wool, fine, April.....pounds..	428,700,000	321,362,750	14.4	369,485,532	581,235,509	57.3	5.8	6.32	19	.33
Wheat.....bushels..	449,695,359	683,349,697	51.9	323,094,123	596,664,336	84.7	5.1	6.43	.983	1.118
Corn.....do.....	1,703,443,054	2,552,189,630	49.8	1,645,012,435	2,514,179,252	52.8	26.1	27.3	.481	.668
Sugar:										
Continental.....pounds..	306,219,115	1,775,338,000	479.7							
Extra-continental.....do.....	561,159,485	1,855,504,086	230.6							
Total.....	867,378,600	3,630,842,086	318.5	3,192,735,098	7,360,130,811	130.5	50.72	79.9	.0627	.0497

<sup>1</sup> Figures taken or derived from the Statistical Abstract for 1911.<sup>2</sup> 1909.<sup>3</sup> Price per pound.<sup>4</sup> Ten-year average, 1881-1890.<sup>5</sup> 1896.

Table showing per capita annual consumption of enumerated products.

Commodity.	Annual average 10-year period 1871-1880.	Consumption, 1910.	Per cent of increase.
Wheat.....bushels..	3.59	6.43	86.1
Corn.....do.....	17.9	27.3	52.5
Sugar.....pounds..	38.46	79.9	107.9
Malt liquors.....gallons..	6.93	19.79	185.5
Wool.....pounds..	3.97	6.32	59.2
Cotton.....do.....	10.14	24.8	144.5
Coffee <sup>2</sup> .....do.....	7.25	9.33	28.7
Tea <sup>3</sup> .....do.....	1.33	.89	( <sup>4</sup> )

<sup>1</sup> 1900.<sup>2</sup> Average for 10-year period 1901-1910, 10.6 pounds.<sup>3</sup> Average for 10-year period 1901-1910, 1.14 pounds.<sup>4</sup> Decrease.

Expenditures for luxuries show an even more marked percentage of increase than in the case of the staple products of life. The importation of diamonds into the United States for the year 1890 was \$11,928,030; for the year 1910 it was \$39,772,678, or an increase of 233 per cent.

The automobile first came into practical use about the year 1900. It has a certain use from an economic standpoint in that it affords a ready means of transportation. Its effect in promoting health is not to be disparaged, but, for the most part, it is a luxury. The approximate number in actual use in the United States at the present time is probably between 400,000 and 500,000. The rapid growth of the automobile industry is readily seen from the steadily increasing annual output. As late as 1905 it is estimated that there were only 1,500 cars in use. In 1906 the production amounted to 25,000 cars; in 1907 to 45,000; in 1908 to 85,000; in 1909 to 110,000; in 1910 to 160,000; in 1911 to 190,000, with indications that in 1912 the number will reach 225,000. The total expenditure for American-made automobiles in the United States during 1911 was \$240,000,000, or an amount about equal to the entire cost of conducting the Post Office Department for the same year. The expenditure for automobiles in this country since the inception of the business reaches the enormous total of \$1,020,000,000.

NOTE.—All figures relative to the automobile industry were furnished by the editor of Motor. Figures in substantial agreement were also furnished by the Horseless Age.

The value of paintings and works of art imported for the year 1890 was \$2,196,500, while for the year ending June 30, 1911, it was \$22,190,053.

In a prosperous country where wealth is increasing there is a constant disposition to indulge in luxuries, often by those who can ill afford them. A new style of house or equipage or of dress, all of which are common in a time when wealth increases, frequently results in the discarding of that which under less favorable circumstances would be regarded as sufficient, and leads to the purchase of other articles in accordance with contemporaneous tastes or fashions. Social ambitions and the general desire for the enjoyment of pleasure tend in the same direction; extravagance grows as attractive objects multiply.

An important factor in the present high cost of living is the rapidly growing cost of government—national, State, and municipal. In case the proceeds derived from taxation are applied to essential improvements naturally no undue burden would result, but there are, nevertheless, manifest differences between

public and private enterprises. The former are managed with a less degree of care and supervision. Given a certain object, the expense of securing it by public management is usually greater than under private control. There is a still more important factor. The aim and nature of public expenditures differ materially from private investments. The latter are made with a view to an adequate return, a profitable income on the amount expended; in many instances the former look to objects of a less essential nature, sometimes to monuments of grandeur or of art which do not subserve any immediate purpose of utility. Again, new facilities are oftentimes provided for on a scale which private enterprise would not attempt. Public activities are often undertaken for conserving health or maintaining more perfect order, and have in view considerations of general welfare most commendable in their nature, but such as would not be initiated in expectation of immediate profit. The enormous burden of municipal expenditures in the United States is more and more attracting attention, and there is a crying demand for relief.

The aggregate expenditure of the Federal Government for the year 1890 was \$297,736,487; in 1910 it was \$659,705,391, an increase of approximately 122 per cent.

To all these must be added—and special attention is called to this—the oppressive burden of military and naval armaments, now involving a cost to the civilized nations of \$2,000,000,000 a year, an economic waste which imposes an almost unendurable burden upon the world's resources. The expense of the Naval Establishment of the United States for the year 1890 was \$22,006,206; in 1910 it was \$123,173,717.

The increased burden of government is most strikingly revealed in the increasing per capita tax rate. The following table shows the increases of both State and Federal taxes in the State of New York since 1860:

Per capita tax rate in New York.

[Derived from report of the comptroller of New York.]

Date.	State ad valorem.	State indirect.	Federal taxes.	Total.
1860.....	\$3.96	-----	\$1.78	\$5.74
1870.....	8.86	-----	10.26	19.12
1880.....	11.09	-----	6.65	17.74
1890.....	12.53	\$0.53	6.43	19.49
1900.....	16.69	1.83	7.43	25.95
1910.....	21.82	4.07	7.48	33.37

Increase from 1890 to 1910, 71 per cent; increase from 1900 to 1910, 28 per cent.

It would be incorrect to assert that many of these larger expenditures are not attended by the most beneficial results to the citizens of the municipality and Nation, but they create a more munificent scale of expenditure and one which from an economic standpoint seriously interferes with the relation between production and consumption, and thereby inevitably tends to increase prices and the resultant cost of living.

(2) Unequal progress: The second general cause which should be considered is the notably unequal progress in the different branches of endeavor which satisfy human wants. This is true alike in the production of commodities and in the utilization of personal service.

The index numbers displayed in the following tables indicate clearly how unequal the rise has been in different commodities. They give relative wholesale prices and are compiled from Bulletin No. 99 of the Bureau of Labor, published March, 1912. References are made to pages of that publication.

RELATIVE WHOLESALE PRICES OF COMMODITIES NAMED FOR THE YEARS  
1890 TO 1911.

[Explanation of symbols used: P., with the figures following, indicates the page of Bulletin No. 99 from which the figures are taken; = signifies that the commodity under which it is placed bears the same rate of duty in the Payne-Aldrich bill as in the Dingley Act; +, with the figures following, indicates the amount of increase in the tariff rate of the Payne-Aldrich bill over the Dingley Act; —, with the figures following, indicates the amount of decrease in the Payne-Aldrich bill as compared with the Dingley Act. The average price for the period 1890-1899=100.]

TABLE I.—Farm products and food, cereals.

Date.	Barley. P. 658. =	Corn. P. 658. =	Wheat. P. 658. =	Flour, average. P. 662. =	Soda crackers. P. 660. =	Bread, <sup>1</sup> P. 667. =	Hops. P. 658. + 4 cents.
1890.....	111.6	103.8	118.9	120.9	111.4	100.6	148.0
1891.....	134.5	151.0	128.1	125.6	111.4	100.6	142.1
1892.....	112.2	118.3	104.9	104.2	106.3	100.6	141.4
1893.....	103.3	104.2	90.1	89.3	104.5	100.6	128.2
1894.....	113.2	113.7	74.4	77.6	101.0	100.6	85.5
1895.....	94.8	104.0	79.9	84.4	94.0	94.1	53.1
1896.....	65.7	67.8	85.4	91.2	91.6	102.5	49.5
1897.....	71.2	66.9	105.8	110.1	82.5	100.6	65.5
1898.....	95.9	82.6	117.8	109.0	105.6	103.6	91.5
1899.....	97.6	87.6	94.7	87.9	92.3	100.6	88.3
1900.....	106.2	100.2	93.7	88.3	94.0	100.6	83.7
1901.....	129.8	130.6	95.7	87.4	97.5	100.6	97.1
1902.....	139.4	156.9	98.7	89.7	97.5	100.6	134.1
1903.....	121.2	131.1	105.1	97.1	90.0	100.6	159.5
1904.....	116.9	132.6	138.3	125.4	91.6	102.5	196.2
1905.....	107.0	131.7	134.5	122.2	95.1	100.6	159.9
1906.....	112.8	121.8	105.6	96.8	90.5	100.6	92.0
1907.....	109.0	138.8	120.8	108.6	90.5	100.6	98.1
1908.....	161.8	179.9	131.8	118.8	90.5	100.6	67.1
1909.....	148.7	175.5	159.7	138.6	91.1	106.5	113.4
1910.....	158.7	152.7	146.1	125.8	97.5	109.6	146.1
1911.....	243.1	155.1	131.1	111.5	90.5	109.6	206.1

<sup>1</sup> Washington market.

TABLE II.—Farm products and food, meats.

Date.	Choice steers. P. 659. =	Fresh beef. <sup>1</sup> P. 664. — 1 cent per pound.	Light hogs. P. 659. =	Smoked hams. P. 664. — 1 cent per pound.	Lard. P. 663. — 1 cent per pound.	Choice wethers. P. 659. =	Dressed mutton. P. 664. — 1 cent per pound.
1890.....	87.4	89.2	88.8	101.1	96.8	118.0	123.7
1891.....	107.7	106.2	98.2	99.8	100.9	115.6	114.9
1892.....	95.0	98.8	114.6	109.3	117.9	123.2	121.2
1893.....	102.2	105.4	148.7	126.9	157.5	104.3	106.5
1894.....	95.6	97.0	111.6	103.6	118.2	75.4	80.2
1895.....	104.2	102.7	96.2	96.2	99.8	78.3	82.2
1896.....	90.2	90.5	80.5	95.8	71.7	79.4	82.9
1897.....	100.8	99.7	84.2	90.9	67.4	95.3	96.6
1898.....	103.2	101.3	85.0	82.0	84.4	105.3	98.0
1899.....	113.7	103.3	92.1	93.8	85.0	105.2	94.3
1900.....	113.9	104.3	115.7	104.2	105.5	114.3	96.4
1901.....	118.1	102.1	133.9	109.2	135.3	94.7	89.5
1902.....	138.5	125.9	152.4	123.1	161.9	105.7	97.9
1903.....	106.9	101.7	137.0	129.2	134.1	98.0	98.7
1904.....	109.7	106.1	116.5	108.9	111.8	107.8	103.2
1905.....	110.2	104.0	120.4	106.3	113.9	128.5	113.9
1906.....	113.1	101.2	143.1	125.5	135.6	133.5	120.7
1907.....	122.8	114.7	140.6	132.4	140.7	123.5	116.0
1908.....	126.7	129.5	127.5	114.3	138.8	109.6	114.5
1909.....	136.3	133.1	166.5	133.1	178.7	120.1	119.2
1910.....	148.2	143.2	203.8	167.1	191.6	122.9	133.3
1911.....	142.1	138.0	152.2	142.1	138.8	89.8	99.7

<sup>1</sup> New York market.

TABLE III.—Miscellaneous foods.

Date.	Fish, average. P. 661. =	Coffee, P. 661. Free.	Tea, P. 665. Free.	Prunes, P. 663. =	Raisins, P. 663. =
1890.....	108.9	136.6	96.3	138.0	157.3
1891.....	113.8	127.3	99.2	129.2	120.1
1892.....	99.2	108.9	106.0	128.6	97.9
1893.....	102.2	131.2	101.7	134.2	113.3
1894.....	92.9	128.0	98.0	95.0	76.9
1895.....	98.8	121.2	95.1	86.0	95.2
1896.....	92.0	93.9	91.0	75.1	67.9
1897.....	88.6	60.4	98.6	70.5	93.2
1898.....	94.4	48.2	104.2	70.3	92.7
1899.....	109.2	46.0	109.8	73.0	85.5
1900.....	112.0	62.6	104.9	67.4	101.3
1901.....	108.0	49.2	100.4	67.8	96.1
1902.....	107.0	44.6	106.2	71.2	112.3
1903.....	122.6	42.6	80.9	62.1	96.3
1904.....	123.6	59.6	97.1	59.6	98.2
1905.....	128.4	63.4	94.2	59.3	79.1
1906.....	130.8	61.8	82.8	83.5	106.6
1907.....	128.3	50.1	81.0	76.6	108.4
1908.....	124.9	47.8	75.1	77.3	120.6
1909.....	116.8	59.6	82.0	68.6	84.6
1910.....	130.8	72.5	84.5	80.7	81.3
1911.....	143.5	102.1	85.3	150.3	94.1

RELATIVE WHOLESALE PRICES OF COMMODITIES NAMED FOR THE YEARS  
1890 TO 1911—continued.

TABLE III.—Miscellaneous foods—Continued.

Date.	Rice. P. 665. =	Bicar- bonate of soda. P. 665. — 1 cent per pound.	Sugar, granu- lated. P. 666. — 2 1/2 cent per pound.	Onions. P. 666. =	Potatoes. P. 665. =
1890.....	107.8	131.6	130.5	127.8	119.3
1891.....	113.5	151.7	99.7	121.3	154.9
1892.....	101.4	104.3	92.1	106.0	91.1
1893.....	81.8	136.4	102.3	93.8	134.5
1894.....	93.8	128.2	87.0	95.6	122.8
1895.....	95.0	84.7	87.9	91.6	86.7
1896.....	92.5	72.7	95.9	57.3	39.4
1897.....	96.6	71.8	95.1	115.5	65.7
1898.....	108.4	67.7	105.2	96.2	102.1
1899.....	108.2	56.0	104.2	94.8	83.6
1900.....	97.7	58.9	112.8	71.4	74.9
1901.....	97.7	51.2	106.8	103.0	113.0
1902.....	99.6	51.7	94.2	107.2	119.4
1903.....	100.9	61.7	98.2	104.9	105.2
1904.....	78.6	62.2	101.0	104.6	146.3
1905.....	74.3	62.2	111.2	95.3	80.7
1906.....	84.5	62.2	95.5	96.8	109.7
1907.....	95.2	62.2	98.4	103.0	98.4
1908.....	111.2	52.6	104.5	104.0	142.6
1909.....	110.3	47.8	100.7	90.9	137.4
1910.....	97.5	47.8	104.9	87.2	85.7
1911.....	89.3	47.8	112.8	91.3	154.4

TABLE IV.—Cotton, wool, and silk.

Date.	Cotton. P. 658. Free.	Men's hose. P. 670. + ( <sup>1</sup> )	Women's hose. P. 670. + ( <sup>1</sup> )	Lonsdale shirting. P. 673. + ( <sup>1</sup> )
1890.....	142.9	133.3	131.6	116.2
1891.....	110.8	123.1	121.1	113.1
1892.....	99.0	112.8	115.8	111.7
1893.....	107.2	110.3	113.2	114.4
1894.....	90.2	102.6	105.3	100.0
1895.....	94.0	94.9	92.1	95.9
1896.....	102.0	87.2	84.2	94.2
1897.....	92.2	82.1	81.6	87.1
1898.....	76.9	76.9	76.3	81.8
1899.....	84.7	76.9	78.9	86.1
1900.....	123.8	82.1	81.6	100.6
1901.....	111.1	71.8	71.1	101.5
1902.....	115.1	76.9	78.9	101.9
1903.....	144.7	82.1	86.8	103.9
1904.....	155.9	82.1	81.6	109.5
1905.....	123.1	82.1	84.2	101.7
1906.....	142.0	85.3	81.6	110.9
1907.....	153.0	94.8	89.5	141.0
1908.....	134.8	88.9	84.2	120.1
1909.....	156.0	96.1	85.2	120.9
1910.....	194.8	95.4	85.5	122.7
1911.....	108.0	94.9	86.8	114.1

Date.	Wool, Ohio, fine. P. 676. =	Wool suitings, average. P. 674. =	Wool un- derwear, average. P. 675. =	Silk, average. P. 673. ( <sup>2</sup> )
1890.....	129.5	113.1	106.6	126.6
1891.....	124.1	113.1	111.4	99.1
1892.....	110.7	113.4	111.4	106.5
1893.....	102.0	112.7	111.4	115.6
1894.....	80.5	98.3	94.1	85.1
1895.....	68.2	89.2	92.6	94.6
1896.....	71.3	87.8	92.6	85.1
1897.....	89.7	88.7	92.6	85.9
1898.....	111.3	103.9	94.1	90.8
1899.....	112.8	105.9	93.6	110.9
1900.....	119.3	115.8	97.9	104.9
1901.....	98.7	104.4	105.8	95.8
1902.....	104.4	108.0	97.9	104.6
1903.....	118.5	109.0	97.9	90.7
1904.....	124.2	109.0	97.9	97.9
1905.....	137.4	122.7	97.9	97.9
1906.....	129.9	134.8	110.9	102.6
1907.....	129.9	133.1	110.9	128.5
1908.....	129.6	124.6	110.9	97.5
1909.....	133.5	135.1	110.9	99.2
1910.....	124.2	134.7	110.9	90.9
1911.....	117.1	121.9	110.9	88.9

<sup>1</sup>An advance of 20 to 25 cents per dozen on lower grades.<sup>2</sup>Cotton cloths of this description appear to have been on an average slightly advanced.<sup>3</sup>The basis of value in silk has been changed. The ad valorem duties levied under the act of 1897 have been very generally discontinued, and a specific duty is now levied instead, which makes comparison difficult.



RELATIVE WHOLESALE PRICES OF COMMODITIES NAMED FOR THE YEARS  
1890 TO 1911—continued.

TABLE V.—Hides, leather, and shoes.

Date.	Green hides, P. 658. —15 per cent. [Free.] ( <sup>1</sup> )	Leather, average. P. 671. —5 to 15 per cent.	Men's vici shoes. P. 667. —10 per cent.	Women's solid grain shoes. P. 667. —10 per cent.
1890.....	99.6	100.6	101.0	104.0
1891.....	101.5	100.9	101.0	97.9
1892.....	92.8	97.0	101.0	94.8
1893.....	79.9	96.9	101.0	91.7
1894.....	68.4	91.5	101.0	91.7
1895.....	109.7	108.0	101.0	104.0
1896.....	86.6	95.2	101.0	104.0
1897.....	106.3	96.1	101.0	104.0
1898.....	122.8	104.4	97.6	104.0
1899.....	131.8	109.3	94.3	104.0
1900.....	127.4	113.2	94.3	110.6
1901.....	132.0	110.8	96.8	104.5
1902.....	142.8	112.7	96.8	105.5
1903.....	124.8	112.0	98.9	108.6
1904.....	124.4	108.5	98.9	112.3
1905.....	152.6	112.1	100.0	119.5
1906.....	164.7	120.4	108.0	126.2
1907.....	155.3	124.0	109.0	123.1
1908.....	142.6	119.4	109.0	118.5
1909.....	175.8	126.8	114.8	127.2
1910.....	165.0	125.3	117.4	125.1
1911.....	157.6	121.1	118.7	124.4

<sup>1</sup> Free under Payne-Aldrich Act.

TABLE VI.—House furnishings.

Date.	Earthen- ware, average. P. 689. —	Bedroom sets, P. 689. —	Glass- ware, average. P. 690. —	Table cutlery, average. P. 690. —(slight)
1890.....	108.9	113.7	105.0	114.0
1891.....	106.6	113.7	108.7	114.0
1892.....	103.4	113.7	106.8	106.5
1893.....	103.4	104.2	106.8	104.8
1894.....	101.9	104.2	106.8	95.4
1895.....	94.0	94.3	105.9	95.4
1896.....	90.4	82.9	99.0	95.4
1897.....	90.4	82.9	90.1	88.2
1898.....	99.7	94.7	88.2	92.3
1899.....	101.3	95.7	82.5	94.4
1900.....	106.3	106.6	91.9	94.4
1901.....	112.0	106.6	112.3	100.6
1902.....	112.0	111.3	113.3	100.6
1903.....	111.4	115.3	111.7	100.6
1904.....	110.2	116.1	104.3	101.9
1905.....	102.6	117.0	99.6	102.1
1906.....	102.6	122.8	99.6	96.8
1907.....	102.6	137.4	99.6	103.5
1908.....	101.7	134.3	88.7	91.8
1909.....	101.7	132.8	88.9	88.3
1910.....	102.5	145.0	83.1	88.3
1911.....	102.5	167.9	75.9	88.3

TABLE VII.—Metals and implements.

Date.	Pig iron, average. P. 681. —\$1.50 per ton.	Tin pig. P. 682. Free.	Bar iron, average. P. 679. — $\frac{3}{8}$ cents per pound.	Steel billets. P. 681. (Slight decrease.)
1890.....	130.9	115.5	126.0	141.5
1891.....	116.3	110.3	116.9	117.7
1892.....	105.6	110.9	113.6	109.8
1893.....	95.7	109.0	103.6	94.9
1894.....	83.0	98.7	82.3	77.0
1895.....	90.8	76.5	87.0	85.9
1896.....	88.1	72.4	84.8	87.5
1897.....	78.0	74.0	77.9	70.1
1898.....	77.3	84.5	75.9	71.1
1899.....	134.4	148.2	130.4	144.6
1900.....	139.8	163.7	133.9	116.4
1901.....	112.2	142.6	118.2	112.1
1902.....	155.4	144.2	131.9	142.1
1903.....	141.3	153.4	122.1	129.7
1904.....	103.7	152.5	103.5	103.0
1905.....	124.0	170.3	123.1	111.6
1906.....	145.1	213.6	123.8	127.5
1907.....	174.9	211.1	130.0	135.9
1908.....	124.8	160.2	106.6	122.2
1909.....	127.1	161.1	108.5	114.4
1910.....	124.3	186.3	114.6	117.9
1911.....	112.1	232.8	98.9	99.7

RELATIVE WHOLESALE PRICES OF COMMODITIES NAMED FOR THE YEARS  
1890 TO 1911—continued.

TABLE VII.—Metals and implements—Continued.

Date.	Steel rails, P. 682. —\$3.87 per ton.	Nails, average. P. 680. — $\frac{1}{4}$ to $\frac{1}{2}$ cents per pound.	Builders' hardware, average. P. 679. ( <sup>1</sup> )	Tools, average. P. 683. ( <sup>1</sup> )
1890.....	121.9	131.2	103.7	107.2
1891.....	114.8	107.2	103.7	105.6
1892.....	115.1	93.8	98.7	104.5
1893.....	107.9	92.1	99.3	103.0
1894.....	92.1	80.0	67.9	93.6
1895.....	93.4	101.7	105.8	95.3
1896.....	107.4	141.9	104.1	95.7
1897.....	71.9	70.8	98.9	95.0
1898.....	67.6	65.9	94.0	93.9
1899.....	107.9	110.6	94.0	101.3
1900.....	123.9	122.5	110.0	111.8
1901.....	104.9	112.5	106.9	110.0
1902.....	107.4	107.0	119.2	114.6
1903.....	107.4	108.1	123.1	118.2
1904.....	107.4	93.9	132.3	118.4
1905.....	107.4	93.8	174.4	127.5
1906.....	107.4	98.2	202.6	134.4
1907.....	107.4	103.1	212.2	115.7
1908.....	107.4	102.4	194.3	113.6
1909.....	107.4	95.8	191.6	111.1
1910.....	107.4	94.4	216.1	112.4
1911.....	107.4	88.8	141.9	107.8

<sup>1</sup> The exact items carried in these classifications are not indicated in the report, consequently a careful determination of the comparative duties is not possible.

TABLE VIII.—Lumber and building material.

Date.	Brick. P. 684. —to 10 per cent decrease.	White oak. P. 685. —75 cents to \$1.25 per M.	Pine boards. P. 685. —75 cents to \$1.25 per M.	Poplar. P. 683. —50 cents to \$1 per M.	Plats glass, average. P. 686. —to +2½ cents per square foot.	Window glass, average. P. 687. —to —½ cent per square foot.	Turpen- tine. P. 687. Free.
1890.....	118.0	101.2	98.1	97.2	140.5	100.9	120.0
1891.....	102.6	101.5	99.4	97.2	138.1	100.1	113.5
1892.....	103.7	102.7	100.2	97.6	110.9	90.2	96.5
1893.....	104.9	103.5	108.9	107.2	110.9	96.7	89.8
1894.....	89.9	99.5	106.2	101.2	88.8	91.2	87.7
1895.....	95.5	96.8	100.8	98.8	87.6	75.4	87.4
1896.....	91.0	96.8	96.4	98.8	98.9	85.9	82.1
1897.....	88.8	96.8	92.5	97.8	58.4	105.1	87.5
1898.....	106.4	96.8	90.6	95.6	78.7	125.9	96.4
1899.....	102.2	104.1	103.9	103.5	87.6	128.9	137.0
1900.....	94.4	109.1	125.7	120.2	93.9	126.5	124.7
1901.....	103.7	98.2	122.0	117.0	91.3	156.2	111.5
1902.....	93.8	109.2	137.3	134.2	75.1	145.3	141.8
1903.....	103.2	119.8	140.3	138.3	77.7	120.7	171.0
1904.....	134.7	124.2	134.4	110.5	66.5	131.1	172.2
1905.....	145.7	126.5	141.2	153.7	69.1	123.0	187.7
1906.....	153.7	134.7	137.9	162.5	76.9	129.9	198.9
1907.....	110.7	147.5	195.7	185.2	78.7	127.0	189.9
1908.....	91.8	131.7	190.3	185.8	61.5	106.5	135.6
1909.....	114.8	129.4	194.1	183.7	67.3	104.7	146.8
1910.....	102.8	144.9	200.1	196.1	83.1	132.3	204.3
1911.....	105.9	140.1	100.6	196.4	75.3	101.7	203.1

TABLE IX.—Miscellaneous commodities.

Date.	Printing paper. P. 691. —to — $\frac{1}{10}$ cent per pound.	Rubber. P. 692. Free.	Castile soap. P. 692. —	Smoking tobacco. P. 692. —	Refined petro- leum. P. 673. —
1890.....	127.8	104.6	104.4	98.2	111.8
1891.....	113.7	98.8	109.1	98.2	98.8
1892.....	113.7	84.5	109.7	98.2	89.2
1893.....	106.4	80.5	108.1	98.2	81.5
1894.....	108.0	84.2	103.3	98.2	81.5
1895.....	103.0	92.7	89.1	98.2	103.6
1896.....	92.0	99.9	88.2	98.2	116.7
1897.....	90.6	105.6	93.3	98.2	101.1
1898.....	73.2	115.8	96.7	104.1	102.1
1899.....	69.9	124.3	98.1	110.0	114.0
1900.....	94.0	122.6	107.7	110.0	133.5
1901.....	75.6	105.1	115.1	110.0	123.1
1902.....	80.9	90.8	116.5	109.9	124.5
1903.....	84.6	113.1	115.6	112.0	153.1
1904.....	89.3	135.8	113.7	114.4	153.6
1905.....	80.9	155.2	114.2	117.9	141.9
1906.....	73.2	151.5	114.2	117.9	146.1
1907.....	83.3	132.8	117.9	117.9	151.2
1908.....	82.9	108.8	123.0	117.9	151.7
1909.....	68.6	185.0	183.1	117.9	137.6
1910.....	68.9	238.2	171.4	114.9	121.2
1911.....	70.9	138.7	148.7	123.3	103.9

RELATIVE WHOLESALE PRICES OF COMMODITIES NAMED FOR THE YEARS  
1890 TO 1911—continued.

TABLE X.—Summary of relative prices by classes of commodities.

Date.	Farm products. P. 513.	Food. P. 513.	Clothing. P. 513.	Fuel and lighting. P. 514.	Metals and implements. P. 514.
1890.....	110.0	112.4	113.5	104.7	119.2
1891.....	121.5	115.7	111.3	102.7	111.7
1892.....	111.7	103.6	109.0	101.1	106.0
1893.....	107.9	110.2	107.2	100.0	100.7
1894.....	95.9	99.8	96.1	92.4	90.7
1895.....	93.3	94.6	92.7	98.1	92.0
1896.....	78.3	83.8	91.3	104.3	93.7
1897.....	85.2	87.7	91.1	96.4	86.6
1898.....	96.1	94.4	93.4	95.4	86.4
1899.....	100.0	98.3	96.7	105.0	114.7
1900.....	109.5	104.2	106.8	120.9	120.5
1901.....	116.9	105.9	101.0	119.5	111.9
1902.....	130.5	111.3	102.0	134.3	117.2
1903.....	118.8	107.1	106.6	149.3	117.6
1904.....	126.2	107.2	109.8	132.6	109.6
1905.....	124.2	108.7	112.0	128.8	122.5
1906.....	123.6	112.6	120.0	131.9	135.2
1907.....	137.1	117.8	126.7	135.0	143.4
1908.....	133.1	120.6	116.9	130.8	125.4
1909.....	153.1	124.7	119.6	129.3	124.8
1910.....	164.6	128.7	123.7	125.4	128.5
1911.....	162.0	131.3	119.6	122.4	119.4

Date.	Lumber and building material. P. 514.	Drugs and chemicals. P. 515.	House furnishings. P. 515.	Miscellaneous. P. 515.	All commodities. P. 515.
1890.....	111.0	110.2	111.1	110.3	112.9
1891.....	108.4	103.6	110.2	109.4	111.7
1892.....	102.8	102.9	106.5	106.2	106.1
1893.....	101.9	100.5	104.9	105.9	105.6
1894.....	96.3	89.8	100.1	96.8	96.1
1895.....	94.1	87.9	96.5	94.5	93.6
1896.....	93.4	92.6	94.0	91.4	90.4
1897.....	90.4	94.4	89.8	92.1	89.7
1898.....	95.8	106.6	92.0	92.4	93.4
1899.....	105.8	111.3	95.1	97.7	101.7
1900.....	115.7	115.7	106.1	109.8	110.5
1901.....	116.7	115.2	110.9	107.4	108.5
1902.....	118.8	114.2	112.2	114.1	112.9
1903.....	121.4	112.6	113.0	113.6	113.6
1904.....	122.7	110.0	111.7	111.7	113.0
1905.....	127.7	109.1	109.1	112.8	115.9
1906.....	140.1	101.2	111.0	121.1	122.5
1907.....	146.9	109.6	118.5	127.1	129.5
1908.....	133.1	110.4	114.0	119.9	122.8
1909.....	138.4	112.4	111.7	125.9	126.5
1910.....	153.2	117.0	111.6	133.1	131.6
1911.....	151.9	120.3	111.1	131.2	129.3

A study of the tables above shows conclusively that the rise in prices has been very uneven in different classes of commodities. The summary given in Table X reveals the fact that the most conspicuous rise has been in the price of farm products, which is very closely related to the increase in population, per capita consumption, and the movement of population to cities, together with the operation of the law of diminishing returns in agriculture.

The next most conspicuous increase has been in the price of lumber and building material, in which lumber is by far the most important item. This increase is readily traced to the diminishing supply of a natural resource.

The next most conspicuous increase is in the cost of foods, of which the farm products mentioned are the principal constituent. Perhaps, however, the most surprising feature is that the price of food has not risen in the same proportion as the cost of farm products. This can be explained by the fact that certain classes of foods, notably tropical fruits, have decreased in price; and also to the fact that the margin of profit between the farm product and the food product may have been considerably decreased.

It will be noted that on the whole there has been comparatively slight advance in the last 15 years in fuel and lighting, metals and implements, drugs and chemicals, or house furnishings. In fact, in the case of house furnishings, excluding manufactures of wood, there is probably no increase, and possibly a decrease. The general conclusion to be drawn from this state of facts is that we must look carefully to particular causes for the advance in the cost of living, and not indiscriminately assert that there has been an increase in prices, nor carelessly attribute the phenomena to causes that have no possible relation to the fact.

In examining these tables in detail, it will be noticed from Table I that flour has not increased in the same ratio as wheat,

and that soda crackers and bread have shown almost no increase.

From Table II it will be noticed that there has been a very considerable increase in both steers and hogs, and that the increase in all classes of fresh meat has been in almost perfect rhythm with the price variations of the live animals, which may be taken to indicate a close relation of market conditions between the two.

Table III indicates that the price of granulated sugar has held comparatively steady for a long period of years. That potatoes fluctuate violently is undoubtedly due to crop conditions. The same thing is generally true of onions. A striking example of the effect of crop conditions will be derived from the price of prunes in 1910 and 1911, as shown by the relative price. The recent increase in the price of coffee is also to be noted.

In Table IV it will be noticed that while the price of cotton has advanced very materially, the price of men's hose, women's hose, and Lonsdale shirting, which are typical cotton goods, have shown comparatively small increase or even a decrease. From the same table it will be noticed that woolen goods have a tendency to follow the price of wool, but the prices do not show as marked a downward tendency as those of cotton.

Table V will show a comparison of the price of green hides with leather and leather goods, indicating that there has been a much less increase in both leather and leather manufactures than green hides, although hides were put on the free list.

Table VI shows that there has been comparatively little advance in house furnishings, except in the manufactures of wood, such as bedroom sets, which, of course, is due to the conspicuous rise in the cost of lumber.

From Table VII a comparison can be made between the relative price of iron in its crude forms and in finished products. The steady price of steel rails is to be noted, undoubtedly indicating a very strong price control. Another striking feature of this table is the exceptional increase of builders' hardware, apparently out of all proportion to its primary materials.

By Table VIII it can be seen that there has been an exceptional increase in certain classes of building material, notably lumber. In this connection it is interesting to note how science and inventive genius tend to supply new materials when the old materials have become excessively high. The increasing use of cement and brick, which show little increase in cost, is perhaps one of the most conspicuous features of modern construction.

Table IX is a tabulation of very striking relative prices of certain commodities not otherwise classified. The spectacular rise of crude rubber is particularly to be noted, which is undoubtedly in response to the enormously increased demand for its use in automobile tires and kindred uses. It will be noted that its last period of rise began in 1902, and with a notable recession in 1908 has kept pace with the development of the automobile industry. It will also be noted that print paper has, generally speaking, shown a steady decline in prices, while petroleum has remained comparatively uniform, but, on the whole, with a decline in price during the past 10 years.

Table X gives a summary of relative prices by classes of commodities. It will be observed that in the year 1911 there was a noticeable recession in prices of all classes except food, and drugs and chemicals, which show a slight increase over any previous year.

In considering the disproportionate rise revealed by these tables special attention may be called to the inequality in the means of producing different categories of products. While new methods in industry and commerce are working a revolution, their effect is far more helpful in some cases than in others.

It is evident that science working through invention and improved methods has not accomplished the same result in agriculture as in manufactures. The revolution accomplished in industrial methods and in the utilization of capital in large-scale operations has not been accompanied by equal progress on the farm. Although very considerable advance has been made in the transportation of agricultural products to the market and in preserving them for use, these pertain to transportation and to the middleman rather than to the original producer. Improvements in agricultural implements have been very considerable, but have wrought no revolution such as has been manifest in many processes of manufacture.

In addition to the less degree of assistance from invention further reasons may be found for the increased prices of agricultural products in the growing scarcity of new lands suitable for profitable cultivation, and in our own country the early cultivation of fertile areas was conducted with too much regard



for immediate returns, and consequently little attention was paid to permanent productive quality.

No description of the diminished relative production of agricultural products is complete without taking into account tendencies which are social as well as economic. The following tables show the growing density of population and the disparity of increase between city and country:

*Population per square mile.*

Census year.	Population of continental United States.	Land area in square miles.	Population per square mile.
1910.....	91,972,266	2,973,890	30.9
1900.....	75,994,575	2,974,159	25.6
1890.....	62,947,714	2,973,965	21.2
1880.....	50,155,783	2,973,965	16.9
1870.....	38,558,371	2,973,965	13.0
1860.....	31,443,321	2,973,965	10.6
1850.....	23,191,876	2,944,337	7.9
1840.....	17,069,453	1,753,588	9.7
1830.....	12,866,020	1,733,588	7.3
1820.....	9,638,453	1,753,588	5.5
1810.....	7,239,881	1,685,865	4.3
1800.....	5,308,453	867,980	6.1
1790.....	3,929,214	867,980	4.5

*Distribution of population, urban and rural.*

[Per cent of population living in cities.]

State.	1890	1900	1910
United States.....	36.1	40.5	46.3
New Jersey.....	60.7	70.6	75.2
Ohio.....	41.0	48.1	55.9
Arizona.....	9.4	15.9	31.0
New York.....	65.0	72.9	78.8
Rhode Island.....	94.5	95.1	96.7

*Population of the United States.*

	1890	1900	1910	Per cent of increase, 1910 over 1890.
United States.....	62,947,714	75,994,575	91,972,266	46.1
Urban population.....	22,720,223	30,797,185	42,623,383	87.6
Rural population.....	40,227,491	45,197,390	49,348,883	22.6

From the above figures it may also be readily calculated that in 1890 the rural population was 63.9 per cent of the total, in 1900 it had fallen to 59.5 per cent, and in 1910 to 53.7 per cent of the whole.

The above tables are exceedingly significant. Since 1850 the density of population has increased from 7.9 to 30.9 per square mile. Although a density of practically 31 to the square mile is not great as compared with many foreign countries, yet it indicates that the time is near in America when the pressure upon the means of subsistence is becoming a factor to be reckoned with.

As a matter of immediate concern, however, the conspicuous movement of population from the country to the city is more important. This movement is powerfully reenforced in our own country by the distribution of immigrants, who desire to live with those of their own language and to belong to churches or associations of their own people. Beyond this, it is not merely the brilliant glare of the electric light or the alluring attraction of the moving-picture show that directs population to the city. The possibilities for success are regarded as infinitely greater, and although a comparatively few may attain to the highest prizes of fortune, nevertheless the average wage obtained is greater. As a result of these factors the farmer is constantly hampered because of the scarcity of help or by his inability to obtain laborers qualified for work on the farm.

The increase in the price of farm products in the Temperate Zones is well illustrated in the case of the raw material used in the manufacture of clothing. Until very recently the price of cotton showed a marked increase. The price of middling cotton per pound in the year 1895 was 7.11 cents on the New York market; in 1903, 11.18 cents; in 1910, 15.11 cents, or twice as much as 15 years before.

The price of fine wool in the eastern markets in the month of January, 1895, at which time there was no duty, was 17½ cents; in 1903, 30 cents; and in 1910, 36 cents. Attention has already been called to the disproportionate consumption of wool as compared with 20 years ago. A much larger quantity must be imported, and foreign sources of supply are not as

abundant as formerly. Wide ranges occupied by sheep are now cut up into farms, utilized for the growing of grain. The great areas of public land in the West, where sheep herdsmen were allowed to pasture their flocks at will, are now under strict Government jurisdiction and a charge is made for their occupation. The increase in the supply of cotton has been materially greater than that of wool, though here the increase of consumption in comparison with production is no less apparent.

In a very valuable report of the Chief of the Bureau of Statistics, in the Department of Agriculture, for the year 1910, a comparison is made between the increase in the price of the articles purchased by farmers during the 10 years from 1899 to 1909 and the increase in value per acre of that which the farmer sells. For the articles purchased by the farmer the average increase was 12.1 per cent, while the average rate of increase in value per acre of that which he sells was 72.7 per cent, or six times as much. The comparison is made even more emphatic when it is noted that among the articles purchased by the farmer flour and lard show a maximum, or nearly maximum, increase in prices paid by him, and these increases are in response to higher prices obtained for his wheat and hogs.

To the rise in the price of articles of food there is one general exception, namely, the price of tropical and semitropical products, most of which show a decrease, for a variety of reasons which do not exist in the case of products of the Temperate Zone.

To briefly summarize the reasons, it may be said that communication with the Tropics by steamship has greatly increased. Large boats provided with refrigerating equipment carry large quantities of bananas and other articles of the Tropical Zones to the ports and centers of population in Europe and in the United States. Agencies for the collection and purchase of fruit have been established in these tropical countries. Plantations have been developed there by foreigners. Salutary progress has been made in sanitation. The yield is very large and crops require only slight attention. There is a practically unlimited quantity of land available for cultivation. In addition to the increased communication between the Tropical and Temperate Zones and the development by outside effort, there must be recognized a certain degree of increased energy and development among the people of tropical regions. In view of all these facts, there has been no commensurate rise in prices, but rather a decrease.

In order to understand the effect of the unequal development which has to do with the present condition of prices, it is unnecessary for us to go outside of a very obvious illustration based upon a comparison of the growth of agriculture and of manufactures in the United States since the close of the Civil War. For a period of approximately a quarter of a century after 1865 the most marked development was in agriculture, though manufactures showed a healthy increase and were rapidly expanding. In contrast from about 1890 to the present date the feature has been the development of manufactures and lines of activity other than agricultural.

This great general fact furnishes the principal cause of the present era of high prices of farm products in the United States. Generally speaking, the same disparity has existed all over the world, though the contrast has been more manifest here. There is nothing mysterious or difficult in the explanation of this unequal development in the two periods. In 1865 there was a great area of fertile land in the United States not yet inclosed or prepared for cultivation. A great army of men had returned from service in the Union Army, many of whom had come back with a spirit of self-reliance peculiarly qualifying them for settlement in new localities. So far as the personal element is concerned, the same conditions existed in the South, though its growth was deferred because of the dislocation caused by a transition from slave to free labor and a greater exhaustion of resources. Awaiting these returning soldiers were great quantities of land at cheap prices, or available for homesteads without cost, or upon bounty warrants for military service. Many millions of acres granted to railroads were offered to settlers at reasonable prices, and in addition year by year State lands were placed upon the market at cheap prices on the theory that the best interests of Commonwealths were promoted by obtaining settlers rather than by retaining lands for higher prices. Indian reservations were acquired for settlement. A great domain was opened in Oklahoma in 1889, and the development of that State is one of the most marvelous illustrations of growth which can be found either in the history of farm or of industrial development. The occupation of new lands was stimulated by the high prices existing in the decade following the Civil War. Wheat sold at \$1.08 gold prices in 1866 and at 92.6 cents in 1876. These high prices continued until 1886. A still further fact promoted agricultural develop-

ment. Contrary to the normal rule for the construction of railroads and the growth of systems of transportation, great lines of railways, aided by land grants, preceded settlement and population, instead of as in the eastern country, where railroads followed settlement and development which already existed.

In this agricultural development may be found a most striking illustration of that which happens in any era of progress, namely, a great increase in the preparation or equipment for increased production. In the periods and cycles which mark material development a growth of this kind continues until other lines of activity become more profitable or attractive. Indeed, in the tendency to follow the same course of development it usually continues until prices have been reduced to a level below that which is profitable. By the year 1894 farm products temporarily reached a low level, the result of this settlement of millions of acres of new land in the West and the Southwest and of the business depression of that time.

Nothing could more emphatically show the disproportionate increase in agriculture after 1890 than statistics in regard to cattle. The total number of cattle in the United States, as reported by the Census Bureau, was:

In 1870	23,820,608
In 1880	39,675,533
In 1890	57,648,793
In 1900	52,403,828
In 1910	53,997,327

Thus it is to be noted that from 1870 to 1880 there was an increase in number of 15,854,925, or 66.5 per cent; from 1880 to 1890 there was an increase in number of 17,973,260, or 45.2 per cent; while between 1890 and 1900 there was an actual decrease of 5,244,965, and between 1900 and 1910 an increase of only 1,593,499, or barely 3 per cent.

In seeking to find the cause for the increased prices of beef it is altogether unnecessary to go beyond these figures. They show that in the face of an increase in population of 29,024,552 from 1890 to 1910, not taking into account the conceded increase in consumption per individual, there was a notable decrease in the number of cattle of 3,651,466, or 6.3 per cent. The wholesale price of dressed beef in the New York market in 1890 was \$6.96 per hundred; in 1900, \$9.73; and in 1910, \$14.61.

In tracing the exceptional rise of divers commodities special attention should be called to the growing scarcity or diminished availability of supplies of raw material.

The lumber supply of the United States, which at one time seemed abundant and even inexhaustible, has, in fact, been diminished to such an extent as to almost threaten an early exhaustion. The diminishing supply of timber in the face of unusual demand has caused a rapid and continuous increase in the price of products of the forest.

In the comparison of different groups of manufactures the advance from 1900 to 1910 has been greatest in this class. In the 10 years named the wholesale prices of woodenware and furniture, as compiled by the Department of Commerce and Labor, show an increase of about 20 per cent. The increase in the cost of lumber was considerably greater than that of manufactures of wood. But the prices of window glass and certain grades of earthenware, according to the figures of the same department, have decreased nearly as much. For this divergence there is an evident explanation, namely, that the supply of timber is becoming more limited, while that of sand and clay and other materials for glass and earthenware is practically inexhaustible and readily available.

In analyzing the situation as regards prices, it is essential to keep in mind the difference between a rise in the price of certain classes of products and a general rise in the price level. It is confidently asserted that both of these phenomena are in evidence and that an increase is manifest in almost every commodity and in the cost of service as well, so that we may accurately refer to a general rise in prices. On a more careful examination it will appear that this is not altogether true. The increased cost of living is rather due to an exceptional rise in the cost of certain necessities of life and in the requirement for additional personal service. That which is most noticeable is the marked increase in certain essential commodities or facilities, such as food and shelter. Throughout all periods, notwithstanding changes in fashion and taste, there has existed a demand, amounting to a necessity, for food. Clothing and shelter are in the same class, though somewhat less urgent.

The rising cost of the primary food products can not, perhaps, be better demonstrated than by the comparative cost of food for one soldier of the United States Army at different periods. A table prepared under the direction of Henry G. Sharpe, Commissary General, United States Army, which I shall append, shows that with identically the same ration the annual cost

in 1908 was \$68.62, and in 1912, \$86.32. Assuming that an Army ration represents the actual cost of food necessary for a comfortable subsistence, and that the consumption of an average family of five is equal to that of four able-bodied soldiers, which conforms to the usual estimate, it will appear that food for the average family costing \$274.48 in 1908, for the present year will cost \$345.28.

It should be carefully borne in mind that a vital distinction between high prices and the high cost of living is apparent. The increased cost of many essential commodities furnishes the reason for but a part of the increased cost of living. The far greater consumption of the average citizen, his demand for luxuries, and for leisure and the wider range of his activities and amusements must also be taken into account.

3. Extravagance and waste: The inevitable tendency in every progressive era is toward extravagance and waste in expenditure, accompanied by the diminished productive energy of a large share of the population.

This tendency has its roots in universal characteristics of human nature. Whenever a new process is invented for satisfying a human want, or a new market is discovered, the inviting prospect of gain will cause investment and effort in that new direction. This oftentimes results in a loss of capital and an oversupply of certain commodities, which leads to waste.

Increased wealth and the accompanying demand for commodities lead to increase of prices, and have incidental results, which frequently assume greater importance than the principal fact. Increasing demands and rising prices are the parents of speculation. The anticipation of profit from such increased demand leads to purchases for the purpose of withholding from the market, and oftentimes the artificial stimulus thus given to prices of land or commodities causes a rise far beyond the normal and legitimate increase in value. Speculation is often accompanied by fraudulent enterprises. The recent report of the Post Office Department estimates that \$120,000,000 were lost during 1911 by gullible investors who responded to alluring advertisements promising large profits. Such fraudulent schemes could only be promoted in a time of progress and of successful enterprises. It is during such times that people become careless of the security of their investments and most readily yield to the enticing representations of irresponsible promoters and swindlers.

#### INCREASED PRODUCTION OF GOLD.

No subject has been more discussed in the consideration of this problem than the effect of the great gold production beginning in the year 1891. The preponderant opinion of commercial and financial writers has been that this increase has been the leading influence in the high cost of living and the present situation as regards prices. It will, of course, be conceded that if the price level of all commodities had been equally affected, and if labor and rent had shown no greater change than commodities, the effect of the greater supplies of gold would be more readily accepted as an adequate explanation, but the variations in the price level are almost as striking as the increases, and thus the question of price changes seems to require a more minute analysis.

Increased production of gold has a substantial effect on prices, which may be described under three distinct phases:

First, a considerable number of persons are attracted to gold mining from other employments. This diminishes the number engaged in the ordinary branches of productive activity, agriculture, manufacturing, as the case may be, thus diminishing production in those lines, while the larger number of those engaged in gold mining increases the demand for essential supplies. In a twofold manner prices are increased. The effect of this diversion from other employments to mining has no doubt been considerably exaggerated by some writers of eminence. It, nevertheless, has a substantial influence.

Second, gold is a measure of value; all the different species of property are measured by it. If an increase in the supply of gold occurs which is out of proportion to that of other objects of utility, the price of objects other than gold must increase. Time, however, is required to bring about this result. The accumulated quantity of the precious metals is so considerable that the accretions of a single year have only a very slight effect on the relation between them and other commodities.

The third effect is more immediate and altogether more potent in its effect upon prices than either of the other two, namely, the increased supply of money which is made available especially in the form of bank reserves upon which an extension of credit may be based. In any progressive society there are always numerous enterprises which await development. Whenever the promoter desires to build a railroad or provide for any great enterprise he must ascertain whether he can obtain the necessary money or what amounts to the same thing—credit.



In determining the commercial or industrial activity of every period it is necessary for us to take into account two clearly distinguishable lines of activity: (1) Provision for near-by consumption, such as food and clothing for the people, and that, too, on the present scale of living; (2) equipment for future production to provide for additional wants. The prominence of the second phase of activity determines the difference between a period of dullness or depression and one of apparently great prosperity. The periodic seasons of business depression which exist are determined very largely by the extent to which provision is being made for the enlargement of existing facilities. The usual history of every business cycle includes a time of increasing activity in making large provision for the future, as in the railway building prior to the crisis of 1873, the great development in Argentina prior to the Baring failure, the building of some work of great magnitude, such as the Hoosac Tunnel or the Panama Canal, or a time of general enlargement of facilities.

In such a time great numbers are always withdrawn from production for near-by consumption, the satisfying of ordinary wants, into enterprises which are not immediately remunerative. When this activity in making provision for the future reaches a certain point, it is found that there are numerous investments of capital, the returns from which will be postponed for a considerable time, and frequently the result is a crisis; that is, the activity which has been maintained, and the prices which have been reached, can not be maintained, and a collapse follows the boom condition which has existed.

Now, in any time of increased gold production, this greater activity, due to the larger amount of money in existence and the greater extension of credit, made possible by additional gold supplies, continues for a long period. It is not restricted to the usual cycle of 10 years, in which we see alternately dullness, greater activity, rising prices, a boom, and then a collapse. There is a general condition of larger activity, and expansion incident to progress, which lasts, with interruption, for a longer time than 10 years. Prices rise partly because of the number engaged in gold mining, as mentioned, partly because of the different relation between commodities and the supply of gold, and partly because of the increased activity which is stimulated by larger quantities of money furnishing a basis for credit.

In time, however, prices adjust themselves to the new supply of gold, and the rise ceases. The increased quantity of gold tends to diffuse itself as water seeks its level. This diffusion is in part accomplished by the greater demand of individuals in the way of per capita circulation in a time of increasing wealth; also by the higher prices, which require a larger amount of money, and by the greater degree of commercial and industrial activity; also in large measure by the shipment of gold to countries which theretofore have had a deficient supply, or in providing for the substitution of gold for silver as the standard coinage. As an illustration of the general increase in industrial and commercial activity it may be said that while the production of gold has been very rapidly increasing since 1890, other commodities have increased in equal, and sometimes greater, measure, and the question arises whether invention and the development of new fields has caused an equal increment in other lines of industry. Have cheapening influences been effective in other branches of production? While the world's annual output of gold was nearly four times as great in 1911 as that in 1890, there was almost as great an increase in the production of coal in the United States, the mining of which has increased from 140,000,000 tons in 1890 to 447,000,000 tons in 1910. Copper showed a greater growth than either, or from 115,966 tons in 1890 to 482,214 tons in 1910. In remote times the movement of surplus gold was from the Orient to the Occident; in more recent times the movement has been from the Occident to the Orient. In this connection Prof. Jevons refers to Asia as the sink for gold.

There is another very potent influence which begins to show its effect under the continued increase, namely, gold mining will prove less profitable. If, in an era of low prices, gold mining is commenced, the greater quantity of commodities which can be obtained with a certain amount of gold is very large; but after this gold supply has gained greater magnitude, as after a period of 20 years of increased production, prices will so rise that the production of gold becomes less profitable and tends to slacken. There is a probability also that the richest fields will be exhausted, and the rise in prices may be checked by that condition.

There is a very substantial difference in the history of gold mining succeeding discoveries in California and Australia about 1850 and at the time of the great increase which commenced in South Africa a little more than 40 years later. The supplies in the first instance were derived largely from placer

mining, while in the latter period they were obtained from the reduction of ores. In the first period and in all mining prior thereto there was a much larger element of chance, the amount of production being dependent on the more or less accidental discoveries of pure gold. In the second period vast bodies of varying grades of ore were located. By virtue of the development of mining engineering and the perfection of chemical processes almost exact computation could be made as to whether such ores could be profitably reduced. The invention of the gold dredge and the utilization of the cyanide process about the year 1890 have explained the great increase in gold production in the last 20 years. Formerly mining was largely the result of what is called "a find." It is related that the great silver mine in Peru was discovered by the uprooting of a bush or small tree, which, when pulled out by a pedestrian, disclosed the silver beneath. Gold mining has become a thoroughly established and calculable industry, subject to the effective operations of the economic law of diminishing returns.

Historically it must be admitted that the argument for this opinion that the increase of precious metals has increased prices has very much support. Throughout long eras they have kept pace with prices. This was most noticeably the case in those periods in which gold and silver passed from hand to hand in payment of commodities or articles sold in the various processes of exchange. This is now, with more rapid communication and with modern facilities for settlement of balances and the divers substitutes for currency, much less apparent.

From the discovery of the silver mines of Potosi in 1546 to the discovery of gold in California in 1848, the annual value of silver mined was very considerably greater than that of gold. From that time until 1882, after the development of the mines not only in California but in Australia, the annual coinage value of gold was greater. Then for 15 years to 1897 the coinage value of silver mined in every year was in excess of that of gold.

Beginning with the last-named year, not only the coinage value but the commercial value of gold has in each year surpassed that of silver. From 1851 to 1870 the world's annual production of gold was strikingly uniform, varying from \$123,000,000 in the years 1864-65 to about \$134,000,000 annually from 1856 to 1860. The annual average was \$127,467,583 for the 20 years named. From 1871 to 1890, inclusive, the annual output declined, averaging \$107,030,400 for these 20 years. Beginning in 1891 with an output valued at \$130,650,000, there has been a practically uninterrupted average annual increase of \$21,000,000, save in the three years, 1900 to 1902, inclusive, when there was a diminished production because of the Boer War. In 1911 the production attained the maximum figure of \$462,704,000.

The following is the average production for the years named:

1851 to 1870, inclusive	\$127,467,583
1871 to 1890, inclusive	107,080,400
1891 to 1895, inclusive	162,947,000
1896 to 1900, inclusive	257,301,000
1901 to 1905, inclusive	322,619,600
1906 to 1910, inclusive	433,359,200

It is maintained that during the greater share of this time the prices of commodities showed a close correspondence with gold supply. From 1849 when the index figure representing the prices of all commodities was only 64 there was an increase by 1873 to 86. Also, from the latter part of the last decade of the last century to the present time, barring such decreases as are due to exceptional production and commercial or industrial depression, there has been a steady increase.

In studying prices throughout the whole period of 60 years, there has, however, been an important exception. Generally speaking, there was a marked decline in prices from 1873 to 1896-97. This can hardly be ascribed to the slightly diminished gold production for the 20 years after 1870.

There are three substantial reasons for diminished prices in this period:

(1) The annual production of gold, which had slightly declined, bore a much smaller proportion to the existing stock, and commercial and industrial operations were on so much vaster a scale as to readily absorb the annual increment.

(2) The demonetization of silver by the most advanced nations. It is shown by figures that India and Japan, in which silver remained the standard, showed no decrease in prices between the years 1873 and 1896, this contemporaneously with a fall in gold-using countries of more than 20 per cent. The index numbers for those countries are less reliable than for others, but the computed increase in India was from 107, in 1873, to 140, in 1896, and in Japan from 104 to 133 for the same years.

It must be remarked in this connection that too much reliance must not be placed upon these figures as showing the controlling effect of using silver as a standard in India and Japan. Both were showing progressive tendencies and Japan especially was not only coming more largely in contact with the civilized na-

tions of the earth, but was manifesting an almost unparalleled growth among her own people.

(3) The third reason for the cheapening of commodities in agriculture was the development of great areas of farm land and better communication with those areas, and, in manufacture, by inventive processes and more economical production under the improved methods of that time.

(4) Two severe seasons of industrial and commercial depression, beginning, respectively, in 1873 and 1893.

The inference that the supply of precious metals has a governing effect upon prices is supported by an analysis of the figures over longer periods. During the years from 1789 to 1809 there was a rise in prices from an index figure of 85 to one of 157, or more than 80 per cent. During these years the average production of gold in the whole world was a little less than \$12,000,000 a year and that of silver approximately \$37,000,000, or \$49,000,000 in all.

There were many contributing causes of high prices, such as the prevalence of war and the interference with international trade caused by the French Revolution and the Napoleonic wars. Mr. Tooke, the author of the *History of Prices*, lays stress upon the poor harvests of that period, but Prof. Jevons ascribes the increase to the larger production of gold and silver, and points out that metals and oils were more affected than grain.

Beginning in 1809, for a period of 40 years prices fell from an index number of 157 to 64, or nearly 60 per cent. This decrease has been very generally ascribed to the falling off in the precious metals, which did not revive until the gold discoveries in California and Australia. The influence of the precious metals, it must be conceded, is strongly sustained by the great falling off in mining during this period.

Beginning in the year 1811, the annual average for the next 10 years was \$7,606,000 of gold, or a decrease from the preceding decade of more than 33 per cent, and \$22,000,000 of silver, or a decrease from the preceding decade of about 40 per cent. In the following decade, from 1821 to 1830, there was an increase in the mining of gold and a decrease in that of silver, but the total annual average was slightly less than that from 1811 to 1820. From 1831 to 1840 there was a substantial increase in both metals, amounting to about 33 per cent. The annual average production of gold during the period 1841 to 1850 was \$36,000,000, being an increase of about \$23,000,000 over the average of the preceding decade. However, in the 40 years from 1811 to 1850, inclusive, an era of low prices, the average annual production of gold was barely \$17,000,000 per year, while with the opening of mines in California and Australia the annual average for the decade following 1850 rose from \$17,000,000 to over \$130,000,000.

The insignificance of this production prior to 1850 may be determined when it is considered that the average annual output of gold for these 40 years from 1811 to 1850 was only equal to that of less than a fortnight in 1911. The production for the single year 1911 was nearly nine-tenths as much as for the whole 40 years.

It should be carefully borne in mind that the period from 1849 was a time of great industrial advancement, in which many inventions and improvements were utilized. In the period from 1849 to 1873 prices rose from 64 to 86, or about 33 per cent. In the period from 1873 to 1896, as already stated, there was a decline in the countries in which gold is the standard. Manifestly there were other causes for the decrease in prices at this time. The great increase in facilities for transportation culminating after the opening of the Suez Canal in 1869 brought different portions of the earth nearer to each other and made it possible to utilize the abundance afforded by outlying countries for the benefit of the more settled areas, where food products were in great demand. Again, there were most notable advancements in the mechanical arts. So considerable was the falling off in prices that several writers, of whom, perhaps, Mr. David A. Wells and M. Émile de Laveleye are the best examples, came to the conclusion that the period of the most buoyant activity in commerce and industry had come to an end, and thereafter the people would occupy themselves with repairs and replacement or in utilizing discoveries already made. In other words, the period of the most profitable production had reached a limit.

In all calculations relating to the mining of precious metals attention must be given to the relation of the annual increment to the accumulated supply. In the year 1851 the annual increment is estimated to have been as much as 3.1 per cent; in 1871 there was an increase of only 1.6 per cent; in 1891 the increase was 1.5 per cent, and since the beginning of the very large production several years later the annual output is equal to about 3 per cent of the total existing money supply. Of the

\$454,000,000 mined in 1909, it has been estimated that \$145,000,000 was utilized in the arts. This may be a large estimate, but in any event the primary money of the gold-standard countries was increased by three hundred millions in the year 1909. The very carefully prepared estimate of Dr. Roberts, Director of the Mint, gives the amount of coinage for that year at \$313,000,000.

It is said that the connection between the increased supply of the precious metals and the general level of prices has been so marked and has appeared in so great variety of countries and of periods as to preclude the possibility of mere coincidence.

It must be recognized that certain modifying factors should be taken into account. The rise in prices after the beginning of the increase in the supply of gold and silver does not become manifest until some time has elapsed. This can be readily explained because a substantial increase is necessary to modify the relation between the existing stock of the precious metals and the accretions. Again, after a very largely increased supply has continued for a number of years, the effect seems to be neutralized. As heretofore explained, this is due to a multitude of factors, such as higher prices, more general diffusion of money, the absorption for bank reserves, the greatly augmented transactions of commerce, and, of course, the further fact that the annual production is a smaller percentage of the existing stock than before.

While not intending to belittle the important influence upon prices exerted by increased supplies of gold, it is submitted that the controlling effect of gold production has been materially exaggerated. Along with the increased supply of precious metals, there has almost always existed a concurrence of the great tendencies which make for increased activity and rising standards of living. The development of gold mining on a large scale has followed closely after discoveries and inventions. After the great awakening which marked the end of the fifteenth century and the discovery of America there was a great increase in the supply of gold and silver. On the other hand, with the decadence of the Roman Empire until its fall in 476, gold mining almost entirely disappeared.

#### TARIFF.

In making these remarks I have sought to avoid as far as possible any subject of political controversy. The facts developed by investigation, however, so conclusively disprove a prevalent misapprehension that the tariff of 1909 is a very prominent factor in the present high cost of living that I can not omit a somewhat extended treatment of that question. Nothing could be more fallacious. It may be conceded that the effect of any tariff policy is to increase prices, certainly in the earlier years of its operation, and on some products to cause a permanent increase. This is clearly true of a revenue tariff upon articles not the product of the country in question. It is also true, to an extent, of competitive articles. The diversity of employment, fostered by protective duties, raises wages and thus has a tendency to increase prices. The extent to which domestic competition is maintained in the manufacture of a protected article has an important bearing upon the price. The increase is materially influenced by the proportion between foreign importations and domestic production. If much the larger share of domestic consumption is supplied by home production, the increase upon prices is slight. Indeed, the possible increase in the cost is measured with a considerable degree of definiteness by the proportion which the domestic supply bears to the total consumption. As the domestic production is smaller, the increase in price is proportionately larger. A most important influence is exerted by the creation of competing sources of supply by fostering tariffs under which an industry is developed so that two countries compete for the same market and there is an inevitable tendency toward a lower price. In the tariff act of 1890 additional duties were imposed upon prunes, raisins, and figs. The result was the development of a competing supply on the Pacific coast and a very great decrease in the price of these articles in the succeeding years. This has been well illustrated in the case of iron and steel products.

While the processes of invention have had a great deal to do with diminished cost, steel rails which cost \$160 per ton in 1869, after the lapse of more than 40 years, now sell for \$28. It is, nevertheless, incredible that so great a decrease could have occurred without the stimulating effect of a protective tariff, which gives the industry a foothold here and creates a competing source of supply in our own country.

The name of Mr. McKinley was intimately associated with the manufacture of tin plate. Unfavorable opinions were expressed as to our success in the manufacture of this article. But as the result of the tariff in 1890, substantially restored in 1897 after an interval in which lower duties prevailed in the three years after 1894, quotations upon tin plate have been considerably



diminished. The same is true of wire nails and of a great number of articles which might be enumerated.

But the fact that the tariff act of 1909 is not the cause of high prices is conclusively proven by several facts:

(1) As already stated, the increase in prices is world-wide and in evidence in other countries of advanced civilization and progressive tendency as well as in our own.

(2) The most notable increases have been in commodities of which we have a considerable surplus for export, and no tariff can have any material effect upon the price of such articles.

(3) In our own country these increases have been manifested indiscriminately, without regard to higher or lower rates in the tariff act of 1909, and, in fact, have been most considerable in the case of articles on which there are no duties at all.

There has been an increase in the cost of shoes since 1908, especially in the retail price, yet the Payne-Aldrich tariff bill diminished these duties 10 per cent on one grade and 15 per cent on another. Leather is also higher than in 1908, although this duty is from 5 to 15 per cent less than under the Dingley Act. Hides, upon which the duty of 15 per cent was absolutely removed, so that they were placed upon the free list, have shown some decline, especially during the last year, in common with the general price movement toward lower levels. However, they are still quoted higher than in 1908.

In the face of a decrease in the duty on lumber ranging from 75 cents to \$1.25 per thousand, the prices have shown an increase since 1909. Turpentine, which during all the time has been on the free list, has risen from an index number of 146 in 1909 to one of 203 in 1911.

Castile soap, upon which there was no change in duty, has fallen from an index number of 183.1 in 1890 to 148.7. The duty on this article is 1½ cents per pound. Rubber, which for many years has been on the free list, rose from an index number of 185 in 1909 to 238.2 in 1910. Of late, notwithstanding the greatly increased demand for this article, there has been a slump in prices, due to the development of additional sources of supply. Builders' hardware, upon which there was a slight decrease on the different articles included in this classification, increased from an index number of 191.6 in 1909 to 216.1 in 1910. Tin pig, upon which there was only a conditional duty, not effective, rose from an index number of 151.1 in 1909 to 232.8 in 1911.

Indeed, the variations in prices have been so very considerable, both in the way of increase and decrease, as absolutely to disprove any inference that the change in prices have been due to the tariff act of 1909; or, indeed, traceable to any other tariff act. As a result of scientific progress, certain commodities have shown the effect of invention, improved methods in transportation and distribution, and have consequently shown very notable decreases in prices. Others have shown an increased demand, which has not been counteracted by improved processes or by the continuance of equally available supplies of raw material.

Further arguments in regard to the effect of the tariff on prices must be noted. The argument for lower duties, most strenuously asserted by those who have given the greatest thought to the subject, is that undue attention has been given in our own country to the development of manufactures. Should, however, the duty be so reduced on these articles as to drive out of existence plants which are now in use, the diminished supply in our own country would have to be satisfied from abroad, and the diminished market for agricultural products at home must be augmented by uncertain demands from other countries. The inevitable result would be an increased demand upon foreign countries for the articles subject to tariffs, which would be followed by a commensurate increase in their prices both at home and here.

The device now resorted to in the way of preferential railway rates for exports to the United States and preferences in rates granted by trans-Atlantic ships would disappear, and we should be subjected to the full effect not only of an increased cost of production abroad by reason of the increased demand, but the increased costs of transportation. The prices of products of other countries, which are reduced below the price level of the country of origin in order to obtain access to our markets, would be immediately restored.

It must be recognized in this connection that our own country is for many commodities much the largest market in the world, and for some articles affords a greater demand than all the rest of the world combined. It would be impossible to diminish the local sources of supply without a notable increase in prices of foreign articles which would take their place.

There is a prevalent impression that great quantities of goods are stored in warehouses and factories, to be sold at cheap prices, awaiting shipment to the United States, and only kept out by reason of the tariff. Should the tariff wall be entirely

removed, it is probable that the decrease in prices of the majority of commodities in our own country would be only very slight. One illustration of this delusion—for it is nothing else—is derived from a comparison between prices of agricultural products, such as eggs, in the United States and Canada. The groundless expectation that this commodity would be reduced in price by a removal of the duty overlooks the fact that our own exports of this article to Canada are greater than those from Canada to the United States.

But it is alleged that they sell for less at Windsor than at Detroit, and that the removal of the duty of 5 cents per dozen would lead to a decrease in the price by that amount. A very simple calculation will show the absolute futility of this idea. The total production of eggs in Canada is only a small per cent of that of the United States. The removal of tariff duties would be sure to lead to an increase in prices in Canada—if any difference exists—to our level, because the greater consumption here would practically determine the price. There may be some slight increase, especially in times of unusual scarcity in the United States, but the general rule is that the cost in countries of predominant consumption and production would be sure to prevail. This is readily shown by a very simple illustration. Suppose men in a certain trade, 50 in number, received a wage of \$2.75 per day, and one person should endeavor to obtain employment along with them who had worked for \$2.50 a day; the result would be not a decrease in wages from \$2.75 to \$2.50, but an increase in wages of the one individual from \$2.50 to \$2.75.

#### TRUSTS.

A careful analysis of wholesale prices fails to support the opinion that the trusts and large combinations of capital have caused the present increase in prices. It is clear that complete monopoly or control of the market in the production or sale of any particular commodity affords a chance to increase its price. The same result is apparent when separate producers maintain an agreement or understanding as to prices. As a general proposition, on the other hand, the superior economy and efficiency of large-scale operations materially diminishes the cost of production, and even more, the cost of distribution, and should therefore tend to decrease prices. The formation of such industrial and commercial enterprises, therefore, seems to be a legitimate phase of business evolution. It must be said, however, with greater emphasis, that thus far the general public has not experienced the benefit of reduced prices to which it is entitled in view of the greater economy and efficiency naturally resulting from great combinations.

Overcapitalization, profits of promoters, fees of lawyers, all have tended to make the capitalization so large as to neutralize benefits derived from cheaper operation. There may be said to be two tendencies underlying the movement toward combination: One which is normal and responsive to those economic laws which make for cheapness or efficiency; another, which is not normal, in which cheapness and efficiency are entirely subordinate to private gain and efforts to secure monopoly. In proportion as the latter tendency or method is absent will the public be benefited by the formation and operation of large enterprises. The measure in which the public has enjoyed the benefit of these combinations is in too great degree dependent upon whether a spirit of liberality and fairness actuates the managers. In some instances they have given due regard to popular opinion and lowered prices and improved quality, when the hold upon the market which they possessed was so considerable that they were not compelled to do so.

If the people do not receive their proper share of the benefits of these aggregations, indeed in any event, strict control, beginning with greater publicity and reinforced by official regulation, is the inevitable outcome. So necessary is this governmental control that some have advocated public regulation of prices.

There are two great organizations which have gained a special hold upon the branches of production in which they are engaged—the Standard Oil Co. and the United States Steel Corporation. No doubt both of these corporations have engaged in practices which do not subserve the general weal, and the strong arm of the law has been invoked against them. But it would hardly be correct to say that the effect of the formation of these companies has been to raise prices. In the table prepared by the statistician of the Department of Agriculture, to which reference has been made, it appears that among over 80 enumerated articles purchased by the farmer there are only three the cost of which diminished between the years 1899 and 1909. Two of these are comparatively unimportant. The third is coal oil, which fell off from 15.1 cents per gallon in 1899 to 14.2 in 1909. There are also substantial reductions in prices of various forms of iron and steel in the same period—articles furnished by the Steel Corporation. The conclusion which may be reached

is that, properly regulated, large-scale operations in manufacturing or in the business of the merchant—that is, in production or in distribution—should cheapen prices rather than increase them.

The difficulty is that the enormous power given to great combinations enables them to exert an influence amounting sometimes to absolute control over the prices of necessary commodities, which is subversive of the general interest. In some cases prices of one particular commodity are increased to an exorbitant figure, while other articles are disposed of by the same combination at figures such as to destroy competitors. It is evident that while the future will no doubt utilize the benefit of operations of colossal magnitude, the benefits must be secured by the most stringent requirements. Thus far some prices have increased by the combination movement, though not in sufficient degree to account for present conditions.

## GENERAL INCREASE IN PRICES.

Has there been a general increase in prices? A careful analysis of the price movement goes far to disprove a prevalent impression that all prices have risen.

One source of this impression that all prices have risen is the custom of comparing present prices with the average for the decade extending from 1890 to 1899, inclusive. This period of 10 years includes five or six years, from 1893 to 1898, in which notably low prices prevailed.

The most complete comparisons available show that prices in 1890, and also in the decade from 1890 to 1899, inclusive, on which contemporaneous computations are based, were very materially lower than in preceding years.

Mr. Sauerbeck's tables give the 11 years from 1867 to 1877 as the standard represented by 100. The following table shows the relation between those years and certain later years:

Comparative prices of certain articles, 1878-1899.

Period.	Vegetable food.	Animal food.	Sugar, coffee, and tea.	Total food.	Minerals.	Textiles.	Sundry materials.	Total materials.	Grand total.	Silver.	Wheat harvested.
Average of prices, 11 years, 1867-1877.....	100	100	100	100	100	100	100	100	100	100	100
1878.....	95	101	90	96	74	78	88	81	87	86.4	108
1883.....	89	101	88	94	79	81	89	84	88	85.9	93
1885.....	68	88	63	74	66	65	76	70	72	79.9	108
1890.....	65	82	70	73	60	66	69	71	72	78.4	106
1878-1887.....	79	95	76	84	73	71	81	76	79	82.1	97
1890-1899.....	61	80	63	68	71	56	66	64	66	55.8	104

From this table it appears that vegetable food in the decade from 1890 to 1899 was worth in England only 61 per cent of the average value in the 11 years from 1867 to 1877; animal food, 80 per cent; sugar, coffee, and tea, 63 per cent; all articles of food, 68 per cent; minerals, 71 per cent; textiles, 56 per cent; sundry materials, 66 per cent; all materials, 64 per cent; and the grand total of all commodities, 66 per cent of the values in the 11 years from 1867 to 1877. These tables, of course, relate only to England, and contain also a valuation of silver, which in the decade from 1890 to 1899 was worth as a commodity only 55.8 per cent of its value in the earlier period mentioned.

This fall in silver contemporaneously with a decline in almost all commodities was much used in the latter part of the last century as an argument for its remonetization. However, the decline in prices was due to much more general causes which have already been mentioned.

While we have no tables for this period prepared with similar care in the United States, the same general price movement from 1867 to the last decade of the last century may be noted.

From this it appears that in basing our calculations upon the years from 1890 to 1899 we ignore an era of very much higher prices which, with a downward tendency, had prevailed for more than 30 years.

The statistics supplied by an official report in 1899 furnish the prices of a great variety of articles. From these tables it appears that the price of high-grade flour per barrel in New York in February, 1860, was \$8.25; for the same month in 1870 and 1880 it was \$9.25; in 1890, \$5.65; in January, 1899, \$4.30. In

1870 the price was probably somewhat affected by the premium on gold, which for that year was about 16 per cent.

There is little satisfaction in the study of prices in a period so remote as the years 1830 to 1840. Wide disparities appear in different localities. Different figures are dependent not so much upon the excellence of crops or the law of demand and supply as upon facilities for transportation, which in those years could not compare with the present. It does, however, appear that very many prices were higher. The price of calico in the Boston market until the beginning of the Civil War ranged around 10 cents a yard. In the last decade of the last century it averaged about half as much, and for the years from 1890 to 1899 was materially higher than in the succeeding 10 years. The price of carpets from 1850 to and through the Civil War and later was much higher than now. On the other hand, leather and many staple varieties of food were much lower. The list showing higher prices in earlier years could be indefinitely extended, and in every case could be accounted for by economic tendencies or special conditions in which the tariff plays but a very subordinate part. In the case of some minor articles the prices of former years were phenomenally higher; for example, the price of quinine was in 1840, \$3.25; in 1850 it was \$4; in 1860, \$1.40; in 1870, \$2.20; in 1883, \$3.25; while the price in 1899 was only 34 cents. It can not be claimed that the removal of the duty made this great revolution in price.

The following table, showing exports and imports of manufactures and the products of agriculture since 1820, and certain extracts derived from it, shows a revolution in production in our own country:

Commerce of the United States, by great groups, 1821-1911.

[Taken from House Document No. 142, Sixty-second Congress, second session, Foreign Commerce and Navigation.]

TABLE I.—IMPORTS, TOTAL.

Fiscal years.	Foodstuffs in crude condition and food animals.		Foodstuffs partly or wholly manufactured.		Crude materials for use in manufacturing.		Manufactures for further use in manufacturing.		Manufactures ready for consumption.		Miscellaneous.		Total.
	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	
1821.....	\$6,081,641	11.15	\$10,820,814	19.85	\$1,983,706	3.64	\$4,079,064	7.48	\$30,998,900	56.86	\$556,709	1.02	\$54,520,834
1830.....	7,382,274	11.77	9,652,971	15.39	4,214,825	6.72	5,152,486	8.22	35,734,837	56.97	582,563	.93	62,720,956
1840.....	15,273,321	15.54	15,188,845	15.46	11,510,245	11.71	11,256,196	11.56	44,300,005	45.09	630,094	.64	98,258,706
1850.....	18,011,650	10.38	21,465,776	12.37	11,711,266	6.75	26,163,152	15.08	95,312,499	54.93	845,174	.49	173,509,526
1860.....	35,743,826	10.11	53,771,067	15.26	37,073,022	10.48	23,613,395	6.67	199,878,690	56.52	3,536,119	1.00	353,616,119
1870.....	53,981,838	12.38	96,253,561	22.08	53,118,022	12.18	54,545,306	12.51	173,034,847	39.69	5,024,834	1.16	435,958,408
1872.....	76,745,348	12.25	121,746,757	19.43	91,715,359	14.64	87,606,647	13.98	237,928,516	37.97	10,852,450	1.73	626,595,077
1873.....	83,364,065	12.98	122,063,864	19.01	94,293,376	14.68	96,641,675	15.05	232,108,020	36.15	13,665,210	2.13	642,136,210
1874.....	94,264,481	16.61	119,618,137	21.08	73,366,563	12.93	71,913,498	12.67	192,431,867	33.92	15,811,795	2.79	567,406,342
1875.....	90,018,885	16.89	113,145,852	21.23	78,891,769	14.80	68,411,606	11.89	177,891,440	33.38	9,645,884	1.81	533,005,436
1876.....	94,186,516	20.44	91,927,329	19.95	66,370,245	14.41	51,087,445	11.09	145,691,808	31.62	11,477,847	2.49	460,741,190
1877.....	86,134,465	19.08	114,579,052	25.39	69,592,068	15.42	48,531,632	10.75	125,654,539	27.84	6,830,770	1.52	451,323,126
1878.....	84,399,969	19.31	102,034,859	23.34	72,485,326	16.58	46,500,681	10.66	124,785,193	28.55	6,845,504	1.56	437,051,532
1879.....	82,283,989	18.46	102,659,925	23.03	73,328,788	16.45	49,692,449	11.15	130,145,818	29.19	7,666,955	1.72	445,777,775
1880.....	100,297,040	15.01	118,125,216	17.69	131,861,617	19.74	110,779,516	16.59	196,587,405	29.43	10,803,902	1.54	667,954,743
1881.....	102,486,852	15.45	123,380,388	19.20	114,244,631	17.77	87,790,890	13.66	203,725,925	31.70	11,035,942	1.72	642,664,524
1882.....	104,947,672	14.49	139,438,506	19.24	131,356,113	18.13	98,623,766	13.61	238,716,691	32.94	11,556,823	1.59	724,633,673
1883.....	93,091,358	12.87	142,127,926	19.65	133,612,450	18.48	98,755,423	13.66	242,945,562	33.59	12,648,195	1.75	723,180,914
1884.....	103,010,830	15.43	130,778,286	19.59	119,150,641	17.84	94,698,249	14.18	207,771,072	31.12	12,288,615	1.84	667,697,693



## Commerce of the United States, by great groups, 1821-1911—Continued.

TABLE I.—IMPORTS, TOTAL—continued.

Fiscal years.	Foodstuffs in crude condition and food animals.		Foodstuffs partly or wholly manufactured.		Crude materials for use in manufacturing.		Manufactures for further use in manufacturing.		Manufactures ready for consumption.		Miscellaneous.		Total.
	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	Amount.	Per cent of total.	
1885	\$93,345,583	16.16	\$102,937,933	17.82	\$106,774,553	18.49	\$78,254,677	13.55	\$182,543,076	31.61	\$13,671,507	2.37	\$577,527,323
1886	91,588,644	14.41	112,771,436	17.75	128,434,759	20.22	91,539,244	14.40	194,791,568	30.65	16,310,485	2.57	635,436,139
1887	106,362,234	15.36	111,714,382	16.14	143,361,050	20.71	120,079,754	17.34	202,800,073	29.29	8,002,275	1.16	692,319,768
1888	116,087,107	16.03	111,048,075	15.34	155,057,432	21.42	121,605,094	16.80	211,218,652	29.17	8,940,754	1.24	723,957,114
1889	123,130,984	16.53	122,254,266	16.41	163,548,106	21.94	115,079,918	15.44	212,482,518	28.52	8,635,860	1.16	745,131,652
1890	128,480,142	16.28	133,332,031	16.89	170,637,250	21.62	116,924,080	14.81	230,685,581	29.23	9,251,325	1.17	789,310,493
1891	150,639,399	17.83	147,721,884	17.48	184,175,197	21.80	136,446,309	16.15	217,577,775	25.75	8,355,632	.99	844,916,196
1892	175,558,861	21.22	139,794,773	16.89	188,317,595	22.76	112,729,303	13.63	204,543,857	24.72	6,458,073	.78	827,402,462
1893	131,663,968	15.19	153,739,181	17.75	209,277,112	24.16	135,608,418	15.65	228,764,866	26.40	7,347,377	.85	866,400,922
1894	133,309,989	20.35	155,348,824	23.72	130,086,011	19.86	187,646,852	22.65	148,798,021	22.72	4,557,045	.70	864,902,622
1895	141,377,233	19.31	107,026,180	14.63	180,939,902	24.72	96,486,622	13.18	199,543,108	27.26	5,596,915	.90	731,969,965
1896	130,002,310	16.67	118,805,703	15.24	197,646,852	25.35	101,070,937	12.96	226,639,759	29.07	5,559,113	.71	779,724,674
1897	128,379,785	16.79	129,244,951	16.90	196,159,371	25.66	88,490,406	11.57	217,843,918	28.48	4,611,981	.60	764,730,412
1898	103,984,608	16.88	86,091,010	13.97	189,322,244	30.73	79,288,417	12.88	153,025,210	24.84	4,338,165	.70	616,049,654
1899	98,933,256	14.19	123,448,135	17.71	208,565,691	29.91	91,953,914	13.19	169,516,630	24.32	4,730,863	.68	697,148,493
1900	97,916,293	11.52	133,027,374	15.65	276,241,152	32.50	134,222,045	15.79	203,126,341	23.90	5,407,979	.64	849,941,184
1901	110,385,208	13.43	125,540,654	15.25	248,006,751	30.13	127,576,924	15.49	205,505,580	24.96	6,157,043	.74	823,172,165
1902	120,280,302	13.31	95,350,256	10.56	303,001,868	33.55	147,656,292	16.34	231,420,820	25.62	5,611,410	.62	903,320,943
1903	119,202,674	11.62	116,620,623	11.37	330,491,084	32.22	195,750,847	19.08	257,757,184	25.13	5,896,823	.58	1,025,719,237
1904	122,327,895	13.34	118,222,862	11.93	320,794,431	32.37	160,233,890	16.17	252,857,673	25.51	6,754,623	.68	991,087,371
1905	146,130,903	13.08	145,355,839	13.01	389,160,658	34.82	177,827,960	15.91	252,372,650	22.58	6,665,061	.60	1,117,513,071
1906	134,315,448	10.95	140,358,114	11.44	414,687,999	33.81	220,298,751	17.96	307,801,154	25.10	9,100,983	.74	1,226,562,443
1907	149,747,623	10.44	158,656,263	11.06	477,027,174	33.25	274,096,464	19.11	364,192,884	25.39	10,700,947	.75	1,434,421,421
1908	145,577,427	12.19	147,008,870	12.31	363,482,258	30.43	196,248,409	16.43	331,617,926	27.77	10,406,902	.87	1,194,341,792
1909	164,110,674	12.51	165,700,920	12.63	451,359,259	34.40	222,101,622	16.94	299,106,235	22.80	9,541,514	.72	1,311,920,221
1910	144,776,636	9.30	181,566,572	11.66	566,270,770	36.37	285,138,373	18.31	367,723,367	23.62	11,471,712	.74	1,556,947,433
1911	181,194,863	11.87	172,006,501	11.26	511,362,140	33.48	287,785,652	18.84	361,422,189	23.67	13,454,769	.88	1,527,226,105

TABLE II.—EXPORTS, DOMESTIC.

1821	\$2,474,822	4.79	\$10,053,333	19.51	\$31,245,332	63.43	\$4,867,379	9.42	\$2,925,165	5.63	\$84,523	0.16	\$51,683,649
1830	2,724,181	4.65	9,553,992	16.32	36,432,235	62.34	4,117,693	7.04	5,431,553	9.34	182,244	.31	58,524,878
1840	4,594,532	4.09	15,933,103	14.27	75,433,421	67.61	4,841,101	4.34	10,534,079	9.47	246,322	.22	111,660,551
1850	7,535,764	5.59	20,017,162	14.84	83,984,707	62.23	6,050,903	4.49	17,162,293	12.72	139,494	.10	134,900,233
1860	12,169,447	3.85	38,624,949	12.21	216,039,643	63.31	12,641,625	3.99	35,811,383	11.33	988,371	.31	316,242,423
1870	41,852,630	11.12	50,919,693	13.53	213,439,991	53.64	13,711,703	3.65	59,323,137	14.93	363,341	.09	376,616,473
1872	59,359,592	13.85	84,357,932	19.63	194,453,433	45.39	21,087,235	4.92	65,305,571	15.24	3,921,385	.92	428,487,131
1873	69,853,173	13.83	100,857,593	19.97	231,904,077	45.92	24,976,655	4.95	76,059,102	15.03	1,382,839	.27	505,033,431
1874	119,143,252	20.93	114,038,635	20.03	228,149,732	43.05	26,023,255	4.57	81,124,591	14.24	950,993	.17	569,433,421
1875	79,077,679	15.84	110,292,780	22.03	206,271,795	41.31	27,453,051	5.50	74,593,493	14.92	1,680,299	.34	499,284,109
1876	94,181,639	17.92	121,615,839	23.14	202,247,842	38.49	31,459,259	5.98	74,450,593	14.16	1,627,418	.31	525,582,247
1877	90,639,893	15.37	150,101,362	25.43	203,821,765	34.06	31,513,553	5.34	112,073,045	19.11	3,923,597	.66	589,670,224
1878	154,819,695	22.74	170,277,023	25.01	213,128,093	31.31	28,685,453	4.22	110,440,970	16.23	3,308,007	.49	680,700,293
1879	188,523,959	27.03	174,230,816	24.95	198,687,747	28.45	30,169,012	4.32	103,254,439	14.78	3,471,767	.50	698,340,798
1880	265,108,953	32.33	193,352,723	23.47	238,787,934	28.93	29,044,153	3.52	92,774,139	11.23	3,878,445	.47	823,946,353
1881	241,641,847	27.34	223,333,821	25.62	278,918,722	31.55	32,822,713	3.71	102,455,449	11.59	1,699,395	.19	883,925,947
1882	155,098,497	21.14	178,032,738	24.25	233,234,072	31.82	37,164,801	5.07	124,835,355	17.02	4,934,249	.67	733,239,732
1883	163,199,443	20.23	185,892,822	23.18	288,841,684	35.92	37,933,195	4.72	122,448,549	15.23	5,347,933	.66	804,223,632
1884	130,395,872	17.99	194,705,245	23.83	239,510,221	33.04	37,830,737	5.21	118,172,832	16.33	4,382,192	.60	724,964,852
1885	123,323,857	16.97	201,809,891	27.77	248,611,181	34.22	39,437,313	5.42	110,818,895	15.25	2,687,919	.37	723,682,941
1886	100,799,632	15.13	162,689,021	24.43	254,409,407	33.21	34,037,715	5.11	111,627,312	16.76	2,401,332	.36	665,964,523
1887	125,433,683	17.85	175,784,781	25.03	250,235,433	35.69	33,732,409	5.22	112,417,839	15.99	2,397,691	.34	703,022,921
1888	85,368,493	12.63	169,872,314	24.84	271,275,621	39.67	40,176,021	5.83	113,892,689	16.65	2,977,041	.33	683,862,104
1889	98,847,453	13.54	174,504,227	23.90	283,235,227	39.19	42,712,932	5.85	123,181,883	18.87	4,798,885	.65	730,282,601
1890	132,073,181	15.62	224,753,583	23.59	304,595,922	39.77	46,454,932	5.50	132,527,033	15.63	4,915,101	.58	845,233,823
1891	106,153,721	12.17	225,448,303	25.95	345,848,321	39.77	47,931,372	5.49	140,349,741	16.03	4,503,825	.52	872,270,233
1892	262,455,845	25.84	250,438,545	24.63	315,093,548	31.02	50,254,241	4.95	132,792,441	13.07	4,664,391	.46	1,015,732,011
1893	153,277,859	18.43	247,075,031	28.73	247,282,247	27.75	49,070,701	5.94	129,938,234	15.63	4,379,633	.52	831,030,785
1894	133,195,923	15.30	249,843,142	28.77	278,085,983	31.76	67,145,183	7.72	135,659,274	15.61	7,288,415	.74	889,204,937
1895	99,051,103	12.49	219,125,531	27.62	264,194,679	33.30	61,812,833	7.78	143,244,930	18.03	5,993,407	.75	793,332,590
1896	128,550,669	14.90	219,413,574	25.41	251,817,571	23.17	76,219,723	8.85	181,789,157	21.04	5,409,788	.63	863,200,487
1897	181,423,814	17.58	235,051,930	22.79	293,834,853	23.76	98,284,241	9.52	212,959,122	20.63	7,456,636	.72	1,032,007,603
1898	305,108,915	25.21	284,879,827	23.84	283,311,334	23.66	101,993,533	8.43	222,537,358	18.38	9,463,916	.78	1,210,291,913
1899	232,903,066	19.35	304,754,733	25.31	277,723,374	23.07	117,730,231	9.78	262,653,533	21.81	8,163,203	.68	1,203,931,222
1900	227,347,193	16.59	318,126,502	23.21	325,689,000	23.75	152,830,591	11.15	331,955,634	24.22	14,854,001	1.08	1,370,763,571
1901	246,394,140	16.83	336,605,373	23.05	397,767,463	27.14	143,013,625	10.12	317,764,387	21.76	13,917,833	.95	1,490,462,803
1902	184,786,389	13.63	323,831,350	24.27	373,595,243	27.56	131,918,311	9.73	321,946,540	23.75	14,404,023	1.06	1,355,451,861
1903	185,305,064	13.63	323,244,251	23.22	403,679,699	29.35	140,415,620	10.09	327,482,757	23.62	7,100,911	.51	1,392,231,302
1904	135,747,224	9.46	303,835,694	21.52	461,716,323	32.17	174,574,135	12.17	345,754,843	24.30	5,599,792	.38	1,435,179,017
1905	118,185,098	7.92	283,051,630	18.93	472,665,300	31.69	203,361,544	14.03	402,064,030	28.93	6,403,990	.43	1,491,744,641
1906	177,216,467	10.32	347,335,462	20.22	500,536,700	29.13	225,210,513	13.17	459,812,653	26.76	6,791,534	.40	1,517,933,332
1907	197,348,227	9.03	345,706,009	18.65	593,145,135	32.00	239,414,784	13.90	480,703,667	25.93	7,394,612	.40	1,853,718,031
1908	189,051,824	10.30	331,961,663	18.10	556,681,482	30.33	261,105,893	14.23	439,469,905	26.63	6,515,597	.39	1,834,786,357
1909	135,093,403	8.28	305,555,341	18.47	520,907,436	31.80	231,189,067	11.41	440,229,407	26.87	7,783,393	.47	1,638,555,593
1910	109,828,320	6.43	259,259,651	15.16	565,934,957	33.03	237,765,916	15.63	493,215,322	29.19	8,079,822	.47	1,710,038,993
1911	103,401,553	5.13	282,016,853	14.09	713,018,295	35.42	393,151,939	15.35	593,387,852	23.72	7,592,542	.38	2,013,549,023

While formerly our exports were made up largely of food products, these have been relegated to a subordinate rank, and according to present tendencies before an interval of many years we will be importers rather than exporters. On the other hand, the export of articles of manufacture has very greatly increased. In the year 1898, as shown by the table, for the first time we sent abroad a larger value of articles from our factories than we imported, and the value of manufactured articles, partly or entirely completed, reached a total of 45.07 per cent of our total exports in the year 1911, while exports of all classes of foodstuffs had fallen to 19.13 per cent.

It will be noted from Table II, appended above, that while our food exports attained a maximum volume in 1898, they reached a maximum proportion about 1890. It is hardly necessary to go beyond these tables to show the change in the direction of the efforts of our producers and to explain the great increase in the cost of food.

These significant figures emphasize the increased pressure of the demands for subsistence upon the land and sources of supply. They also bring to light the law of diminishing returns under which, with every increment of supply, there is a substantial increase in cost.

#### REAL ESTATE AND BUILDINGS.

In addition, all expenses relating to housing or shelter have been revolutionized by changes in the value of real estate, to which must be added the greatly increased cost of materials for building and the higher cost of labor. No one should regret the higher compensation paid to wage earners. Social welfare is a greater advantage than cheap construction or cheap rents.

But labor cost as well as building material and values of real estate have very materially contributed to the present high cost of living. Higher values of land in cities are responsible for a very important part of the resulting conditions. These are due to the growth of population, to the concentration of activity in great centers, which cause a consequent increase in rent. The same increases, while not showing such phenomenal gains in percentages, have been no less general in rural land than in that located in cities. During the last 10 years values of farm lands in many localities have doubled, while the multiplication of real-estate values in growing cities is almost beyond belief.

The following table shows some of the increases in values in the city of Chicago, as determined by sales or leases.

*Notable increases in the value of certain parcels of Chicago property.<sup>1</sup>*

Location and dimension.	Name of owner.	Date and price of former sale.	Present value of same land.	Per cent present value of former value.
Northeast corner Adams and State Streets, 60 by 175 feet.....		1843. \$275.....	\$2,000,000.....	<i>Per cent.</i> 727,272
Block bounded by Madison, Monroe, Dearborn, and State Streets.....	School property.....	1850. \$10,000.....	\$25,000,000.....	250,000
Corner Sixty-third Street and Cottage Grove Avenue.....		1883. Unsalable at \$20 a front foot..	\$3,000 a front foot.....	15,000
Southeast corner State and Monroe Streets.....	Potter Palmer estate.....	1870. \$250,000.....	\$15,000,000.....	6,000
10 by 90 feet on State Street between Madison and Washington Streets.....		1853. \$2,500.....	\$500,000.....	2,000
Northwest corner Michigan Avenue and Harmon Court, 56 by 127 feet 190 feet on Dearborn Street by 46 feet on Monroe Street.....	Hetty Green.....	1885. \$25,000 \$200,000.....	\$375,000 \$1,650,000.....	1,500 825
Michigan Avenue between Twelfth and Fifteenth Streets.....		1890. \$400 to \$500 front foot.....	\$3,500 front foot.....	700 to 875
Michigan Avenue between Twenty-second and Twenty-seventh Streets.....		1906-7. \$250 to \$300 front foot.....	\$1,200 to \$1,500 front foot..	400 to 600

<sup>1</sup> Figures furnished by Mr. W. K. Young, of Chicago.

While the figures just given of sensational advances in the price of real estate indicate the general tendency, yet it must be admitted that they are exceptional instances. Perhaps a better idea of the general rise in real-estate value may be obtained from the report of the comptroller of the State of New York, which shows the advance in the assessed valuation of all real property in the State of New York from 1870 to the present time. Table follows:

*Assessed valuation of real estate in the State of New York for the periods mentioned.*

1870.....	\$1,599,930,166
1880.....	2,340,335,690
1890.....	3,397,234,679
1900.....	5,093,025,771
1910.....	9,639,001,868
1912.....	11,000,000,000

NOTE.—The figure given for 1912 is that furnished by Hon. William Sohmer, comptroller for the State of New York, and is an estimate based on returns not fully tabulated.

Reference to the high cost of labor and of building material has already been made. In the classification of manufactured products in the report of the Bureau of Manufactures for 1912, lumber showed a greater increase than any other. There have been some exceptions to the increased cost, as in the case of brick, and progress has been made in the use of cement; but the general tendency has been in the direction of a very marked advance in the prices of all things required for construction. The increase in the cost of labor has been exceptionally large in the United States.

The following table shows some changes in the wages and hours of certain laborers, including especially those of the build-

ing trades, in which comparison is made of the relative increase of wages in the United States, Great Britain, Germany, and Bulgaria. By this table it will appear that the relative wages in 1907, as compared with 1900, for bricklayers are 135.1; for carpenters, 142.3; for plumbers, 146.5. In the same period there has been but slight advance in England, the compensation of those engaged in the building trades having increased but little, though Germany shows a material increase. The advance is greatest in the case of the bricklayers of Bulgaria, which illustrates the general trend.

#### THE RELATIVE INCREASE OF WAGES IN THE UNITED STATES, GREAT BRITAIN, GERMANY, AND BULGARIA.

[Taken from the report of the Select Committee on Wages and Prices of Commodities; Senate Rept. No. 912, pt. 1, 61st Cong., 2d sess.]

*Hours per week and rates per hour of wage earners in specified occupations in 1900 and 1907.*

#### UNITED STATES.

Occupation.	Hours per week.		Relative hours in 1907 as compared with 1900.	Rates per hour.		Relative wages in 1907 as compared with 1900.
	1900	1907		1900	1907	
Blacksmiths.....	58.89	56.07	95.2	\$0.2537	\$0.3290	129.7
Bricklayers.....	49.32	46.62	94.5	.4672	.6313	135.1
Carpenters.....	51.86	47.87	92.3	.3049	.4338	142.3
Compositors, newspaper.....	51.09	46.92	91.8	.4071	.5296	130.1
Machinists.....	58.56	55.40	94.6	.2484	.3051	122.8
Plumbers.....	51.40	46.51	90.5	.3811	.5582	146.5



Hours per week and rates per hour of wage earners in specified occupations in 1900 and 1907—Continued.  
UNITED KINGDOM.

Occupation.	Number of cities reporting.	Hours per week.		Relative hours in 1907 as compared with 1900.	Rates per hour.		Relative wages in 1907 as compared with 1900.
		1900	1907		1900	1907	
Bricklayers.....	12	52.13	52.00	99.8	\$0.1893	\$0.1901	100.4
Carpenters.....	14	51.57	51.43	99.7	.1840	.1850	100.5
Compositors, union hand, in daily newspapers.....	9	50.39	49.11	97.5	.2022	.2150	106.3
Machinists:							
Blacksmiths.....	11	53.55	53.00	99.0	.1645	.1708	103.8
Fitters.....	13	53.71	53.25	99.1	.1620	.1680	103.7
Turners.....	13	53.71	53.25	99.1	.1630	.1683	103.6
Plumbers, union, house.....	14	51.36	51.68	100.6	.1839	.1854	100.8

## GERMANY.

Occupation.	Number of cities reporting.	Rates per hour.		Relative wages in 1907 as compared with 1900.
		1900	1907	
Bricklayers <sup>1</sup> .....	5	\$0.126	\$0.155	123.0
Carpenters.....	4	.115	.148	128.7
Plumbers <sup>2</sup> .....	3	.110	.147	133.6

## BULGARIA.

Bricklayers <sup>1</sup> .....	5	\$0.5164	\$0.7909	153.2
Laborers—general.....	5	.3385	.4234	125.1

<sup>1</sup> Masons. <sup>2</sup> Plumbers, gas and steam fitters. <sup>3</sup> Wages quoted per day.

The tables show that the rate of wages for bricklayers increased as follows during the period from 1900 to 1907:

	Per cent.
United States.....	35.1
United Kingdom.....	.4
Germany.....	23.0
Bulgaria.....	53.2

Carpenter's wages increased during the period as follows:

United States.....	42.3
United Kingdom.....	.5
Germany.....	28.7

Plumbers' wages increased as follows:

United States.....	46.5
United Kingdom.....	.8
Germany.....	33.6

The question has been much discussed whether increases in wages have kept pace with increased cost of living. As a general rule wages respond to changed conditions in values somewhat slowly. Increase or decrease in wages is resisted by employer or employee for a time in order to ascertain whether the change shall be permanent or not.

Figures given in Bulletin No. 77 of the Bureau of Labor, issued in July, 1908, indicate that the advance in wages has almost exactly kept pace with that of commodities. These increases, as already stated, have been most marked in the United States, yet there is no indication that there has been any disproportionate increase in the compensation of labor.

In connection with the tendency toward luxury and the greater scope and abundance of things which administer to human wants, one must consider the necessarily increased cost of almost every form of personal service. This fact assumes importance when we consider how large a share of modern operations are now accomplished or aided by invention or mechanism, and by the conduct of operations on a large scale. This constantly emphasizes the difference between results or operations which are carried on by machinery or en masse, and those which require manual labor or minute service.

## DISTRIBUTION.

We are constantly confronted by the unequal development of cheapened processes which pertain to wholesale transactions and those which belong to distribution. The cost of hauling two tons of coal 150 miles by rail is much less than for hauling the same coal a half or even a quarter of a mile and unloading it at the dwelling house for which it is intended.

The best illustration of the excessive cost of distribution is the glaring disparity between the prices obtained by the producer, whether manufacturer or farmer, on the one hand, and the cost at retail or to the consumer. This disparity is nowhere better shown than by a comparison of the manufacturer's cost and the retail price for staple articles made of cotton and wool, such as quilts, men's underwear, ladies' hose, men's hose, ladies' vests, and men's suits. The manufacturer may gather his ma-

terial from three continents and utilize all economies in the way of manufacture, but the retail price as set forth by the report of the Tariff Board shows an advance to the consumer of from 135.3 to 210 per cent. In the case of a three-piece man's suit the factory cost is figured at \$12.41; the wholesale price is \$16.50; the minimum retail price is \$23. Assuming that the average retail price is \$30, there is an increase of 141 per cent over the factory cost. These facts are shown in the table which follows:

Manufacturer's cost and retail price of certain articles as shown by the report of the Tariff Board on the cotton and woolen schedules.

Page.	Serial No.	Article.	Manufacturer's cost.	Manufacturer's price.	Jobber's price.	Retailer's price.	Per cent advance.
546	33	Quilt.....	\$1.29	\$2.10	\$2.75	\$4.00	210.9
594	(1)	Suit of men's underwear.....	10.20	12.22	15.00	24.00	135.3
609	(1)	Ladies' vest.....	2.27	3.50	4.25	6.00	164.3
611	(4)	Ladies' hose.....	2.39	3.25	4.00	6.00	151.0
618	(2)	Men's half hose.....	2.26	3.50	4.25	6.00	165.5

NOTE.—Prices quoted are per dozen except in the case of "quilt."

## THREE-PIECE SUIT.

Regular wholesale price, \$16.50; retail price, \$23 and up. Cloth, fancy worsted.

## CLOTHING MANUFACTURE.

## Cost of stock.

Trimmings: Body lining, \$0.38½ per yard. Sleeve lining, \$0.18 per yard.

Number of yards per suit: (a) Coat, 1.8; (b) pants, 1.35; (c) vest, 0.45; total, 3.6.

Cost of cloth used in suit: (a) Per yard, \$1.328; (b) total, \$4.78.

	Coat.	Pants.	Vest.
Cost of cloth.....	\$2.39	\$1.793	\$0.597
Cost of trimmings.....	1.963	.278	.527
Total.....	4.353	2.071	1.124
Credit waste.....	.024	.018	.003
Total cost of stock.....	4.329	2.053	1.118
Add freight.....	.025	.019	.003
Total.....	4.354	2.072	1.124

## CONVERSION COST.

	Coat.	Pants.	Vest.	Suit.
Sponging and examining.....	\$0.040	\$0.030	\$0.010	\$0.080
Cutting.....	.146	.109	.037	.292
Trimming.....	.034	.025	.008	.067
Fitting.....	.055	.010	.030	.095
Operating.....	.380	.255	.188	.823
Basting.....	.318	.035	.060	.413
Finishing.....	.345	.138	.027	.510
Button sewing.....	.037	.040	.023	.100
Buttonholes.....	.130	.....	.107	.237
Pressing.....	.450	.150	.123	.723
Busheling.....	.068	.050	.025	.143
Miscellaneous.....	.210	.008	.005	.223
Examining finished product.....	.017	.013	.004	.034
Total manufacturing labor.....	2.230	.863	.647	3.740

## SUMMARY.

Total stock cost.....	\$4.354	\$2.072	\$1.124	\$7.550
Conversion cost.....	2.230	.863	.647	3.740
General expense distributed to each garment on basis of manufacturing labor in each garment.....	.669	.259	.194	1.122
Total factory cost.....	7.253	3.194	1.965	12.412
Selling expense distributed to each garment on basis of ratio of total selling expense to total value of output.....	.....	.....	.....	1.903
Final cost (factory cost plus selling expense).....	.....	.....	.....	14.320

## CLOTH MAKING.

Kind of cloth.....	Fancy worsted suiting.
Number of warp ends to 1 inch.....	73
Number of picks to 1 inch.....	61
Width in reed.....	65½
Width of goods finished.....	57
Weight of cloth per yard (ounces).....	11½
Pounds of cloth to 1,000 yards.....	693½

In a computation recently made by an organization of commercial experts known as the Business Bourse of New York an effort was made to trace the increase in the number of those engaged in the work of distribution. Their estimate is that there were seven producers to one distributor in 1870 and three

and six-tenths producers to one distributor in 1900. The per capita production by those engaged in productive employment in 1870 was \$700; in 1900, \$1,016. In 1870 the per capita distribution by one individual was \$4,976; in the year 1900 it had fallen to \$3,723, and the rather startling prediction is made that the time will come when those engaged in distribution will equal the number of those engaged in production.

This shows a remarkable change from the simple conditions which Benjamin Franklin advocated in 1785, when he wrote:

If too many artificers and farmers turn shopkeepers, the whole quantity of that business divided amongst them may afford too small a share for each and occasion complaints that trade is dead. They may all suppose that it is owing to a scarcity of money, while, in fact, it is not so much from the fewness of buyers as from the excessive number of sellers that the mischief arises; and if every shopkeeper, farmer, and mechanic would return to the use of his plow and working tools there would remain of widows and other women shopkeepers sufficient for the business, which might then afford them a comfortable maintenance.

One of the most notably distinctive features which makes distribution expensive at present is the extreme detail with which the whole work of bringing products to the ultimate purchaser is conducted. There has been no increase but rather a decline in the cost of carrying great quantities of commodities from the sources of production to centers of consumption. The difference which affects the cost of living is in bringing them to the door of the consumer. Fifty years ago merchants had no delivery wagons. The customer who desired to make a purchase went to the village or city store, obtained what he wished, and took it to his home. Now there is an elaborate system, with no end of expense and labor, in the care of packages and in their delivery at the home of the purchaser.

The retailer is by no means to be blamed for this condition. He is confronted at the very outset by increased rents, increased cost of service, the more exacting demands of his customers, both as regards quality and the handling of packages, all of which makes it necessary, if he sustains himself, to secure the greatest possible margin in his selling prices. In an important sense, the retailer is alike the representative and the victim of a faulty system of distribution. In every city of any considerable size the visitor may observe certain streets lined by small and sometimes inferior buildings devoted to the retail trade. In each of these shops and stores devoted to the sale of staple articles there must be several clerks to wait upon patrons. The average sales are comparatively small and, as the conduct of the business includes the delivery of articles sold to customers, there must be much duplication of effort. Stocks are usually small, and if perishable articles are sold there is an exceptional loss from decay and from goods undisposed of at the end of the season.

It requires little reflection to realize that in this present era of high wages and rents, contemporaneously with large-scale operations, such a method of transacting business is unprofitable and not in line with modern methods. It is not a careless forecast to predict that before many years these numerous small shops and stores will be displaced by larger buildings devoted to the sale of specific articles. There will still remain small shops for furnishing articles and services which require distinctive personal qualifications, such as the watchmaker, the pharmacist, perhaps, and any line of business where knowledge of a trade or special qualifications are required. A tendency is already manifest in large cities for these last-named occupations to gather in great arcades or buildings of considerable size.

On the other hand, the sale of staple articles of food, groceries, fruits, as well as articles of clothing and of hardware, will naturally be made in large establishments, in which purchases may be made on the most advantageous terms, and sales and distribution can be accomplished with the benefits which belong to wholesale transactions.

The telephone has already assisted in bringing the producer and consumer nearer together. The parcels post will no doubt contribute to the same result. It is doubtful whether the department stores will effect a lower cost of distribution, though they may have assisted in that regard. In the first place, in a large department store a great variety of articles are sold. Necessarily the profits on different commodities disposed of will be unequal. Small profits on some articles must be equalized by large profits on others. Those which can be more conveniently and profitably handled will have larger sales. There is a constant danger that those in charge of the different branches will manifest unequal capacity for the business. There may be an expert in crockery or glassware, while the one at the head of the department of gentlemen's furnishings may have only inferior qualifications for the place. The overhead charges are very large. Heavy expenditures are sometimes incurred to attract customers by amusements, such as concerts and vaudeville shows. Again, the department enjoys possibilities of monopoly, and where cheaper distribution can be obtained, a

larger share of the profits will be claimed by the proprietor, so that the general public may realize only slight benefits.

Large establishments devoted to the distribution or sale of separate categories of commodities, possessed of the best facilities and methods for economical management, would seem to lead to the most probable solution of the present high cost of distribution. The sale of a great diversity of products has its advantages, and that method may be adopted, though greater economies would seem to accrue from the handling of distinct categories of articles.

Public markets are in use on a relatively small scale. They supply but a limited share of the demands of the consumer. The farmer or producer who brings his wares to these markets can not be expected to be actuated by altruistic motives. He will fix his price in accordance with the scale paid by the general public. For instance, if an article is sold at 20 cents a pound and the producer could, with profit, sell the same article in a public market for 12 cents, it is not to be anticipated that he will decrease his charges below the ordinary price of 20 cents, except in so far as it may be necessary for him to do so in order to obtain customers.

No doubt with a general system of markets, with sufficient stocks and a larger share of buyers, the play of competition would lead to a widely different result. The prices would then fall to a figure determined by a reasonable profit to the producer.

The establishment of cooperative societies has been much discussed. These have been adopted on a large scale in England and in Germany. In the latter country doubt has been expressed of their efficiency in securing lower prices to the consumer. Indeed, some German commercial writers, who have made a study of their operation, say that the principal benefit derived from them is the competition created and the check upon exorbitant prices by the regular dealers in the commodities which the cooperative societies handle. In England they not only undertake distribution, but on a large scale manufacture as well; and it is maintained that the result has been a very considerable reduction in cost.

That there is one very substantial objection to these cooperative societies can not be ignored. Different forms of business, all the operations of industry, succeed in proportion to the competency and fitness of those engaged in them. Usually the cooperative society involves the selection of untried men, or at least a greater or less proportion of men without experience, and necessitates turning aside from those who have been trained for mercantile pursuits to others who have no such qualifications. There is also a probably less degree of care and attention to business, a less facility in making progress and improvements, by those who represent a society than would be the case in stores or other lines of business conducted by the responsible owners.

In our present system of distribution very large amounts are expended for advertising. The statistics show the annual amount expended to be between \$600,000,000 and \$700,000,000. The following table apportioned this:

*Estimated annual advertising expenses in the United States.*  
(Estimates furnished by Printer's Ink.)

Newspaper advertising (retail and general).....	\$250,000,000
Direct mail advertising (circulars, form letters, etc.)....	100,000,000
Magazine advertising .....	60,000,000
Farm and mail-order advertising.....	75,000,000
Novelty advertising .....	30,000,000
Billposting .....	30,000,000
Outdoor (electric sign, painted sign, etc.).....	25,000,000
Demonstration and sampling.....	18,000,000
Street car advertising.....	10,000,000
House organs, etc .....	7,000,000
Distributing .....	6,000,000
Theater program, curtain, and miscellaneous.....	5,000,000

Grand total..... 616,000,000

NOTE.—Similar estimates were furnished by the Business Bourse, placing the total at \$682,000,000 annually.

It goes without saying that this cost of advertising must be borne by the consumer, and oftentimes the expense of placing an article on the market by publicity is greater than the cost of production itself. The modern methods of advertising appeal to the consumer. Before the days when advertising had gained so notable a foothold the sale of goods by the manufacturer or jobber was promoted by the commercial traveler, who appealed not to the consumer, but to the merchant.

No doubt one effect of advertising is to increase sales. Otherwise the elaborate system now in vogue would not be undertaken. This increases the aggregate consumption, and hence the cost of living. On the other hand, it is maintained that advertisements bring before the public a higher grade of articles. Outside of mere routine advertising, which has no very different status from that which has existed for many years, its object is to exploit either an article of exceptional cheapness



or one of exceptional quality, some novelty which has not thus far been used.

An important lesson in support of the general theory maintained in this discussion is to be derived from the history of advertising. It has been maintained that high prices were an incident of progress. It is only in a time of increasing consumption, of a desire for newer and better articles, that advertising could be successful. It is perfectly apparent that so large a bill would not be incurred for the exploitation of wares, except in a time when wealth is increasing and demands for improvement and luxury are keeping pace with it. All this goes to show the greater enjoyment and more exacting demands of modern life.

One of the serious influences which are tending to increase prices is that of price agreements of various sorts. It was the purpose of the Sherman Antitrust Act to prevent practices of this sort, and probably the most flagrant cases and the coarser devices for accomplishing this result have been abandoned. However, there can be little doubt that in fact this practice still continues in certain branches of trade. It is alleged that the so-called Gary dinners did away with competition and established uniform prices just as effectively as the older and more illegal form of agreements had done.

Various devices are now resorted to to eliminate competition and control prices. The most effective device has been that of hiding behind patent rights, which the courts have firmly upheld. Under a recent decision of the Supreme Court agreements based upon a patent right may extend even to controlling the supplies which may be used in connection with any patented article, thus requiring the user to buy supplies of a certain make and to pay the price imposed. It will be readily seen that in relation to a great variety of articles it will be entirely possible to protect price agreements by virtue of the patent laws.

Apparently the time has come when price agreements do not need to rest upon expressed contract of any kind. Certain brands of staple articles now appear to be sold at retail under a perfectly maintained price agreement when no formal agreement can be said to exist. These include footwear, articles of clothing, musical instruments, and similar articles of great variety. One method of securing compliance with the retail price fixed by the manufacturer is that of offering the retail dealer a special discount in case he will maintain the established price. Moreover, the time seems to have come, especially amongst large manufacturers and dealers, also in very considerable degree amongst smaller traders, when the firm conviction prevails that "competition does not pay," and it is their claim that price agreements benefit both the seller and the buyer. With such a spirit prevailing amongst dealers the flimsiest sort of an understanding will serve to establish prices.

In this connection it must be noted that the high cost of living attributable to distribution bears with most crushing weight upon those of limited means. They are compelled to purchase in limited quantities and can not take advantage of favorable conditions in the market. Compare, for instance, the position of a purchaser of ample means who buys a supply of anthracite coal for the following winter in the spring, when the price is lower, with that of the family that must buy fuel by the bucketful. Those of adequate incomes buy articles of food by the barrel or hundredweight and provide room for storage, while those who live, as it were, from hand to mouth are compelled to purchase for a single day or even a single meal.

#### WHAT WILL BE THE FUTURE OF PRICES?

This question is so fraught with uncertainties that it is difficult to offer any prognostications with confidence. Some anticipations, however, may be made with reasonable certainty.

#### REAL ESTATE.

There is no probability that real estate in any form will cease to increase in value. So long as there is increase in population and in the average consumption and requirements of the individual there will be an increased pressure upon the earth for subsistence and for space. The marvelous growth of cities will accentuate the increase in populous centers, and on the other hand there will be no cessation of the increase in the values of farm land.

In meeting the demand for farm products new fields will be developed. Fertilization and improved cultivation will be resorted to. These will increase the productive power of the land; but so far as regards the products of the Temperate Zone, especially meat and wheat, there is no indication that these means of increased supply will keep pace with the increasing demand. The best and most available agricultural lands have already been utilized. Improved cultivation entails, at least for some staple products, a greater cost than the proportionate return. Methods of transportation from remote fields will no

doubt be improved. But the same lack of proportionate returns will no doubt be noticeable here.

In giving this generalization reference is had especially to wholesale prices. There is still an almost unlimited opportunity for cheapening prices in means of distribution. There may be some counteracting tendencies in values of real estate. A tendency is already noticeable in cities to go out into the suburbs and to utilize outlying localities by means of quicker and better facilities for transportation.

So far as residential location is concerned, the tendency between city and country is centripetal toward the city; in the city itself it is centrifugal, or directed toward outside localities where there is more room and better light and air.

The same tendency may become manifest in the location of certain trades and lines of manufacture. A number of factors may contribute to this result—the almost prohibitive price of lands in cities, the difficulty of obtaining light or water or some other essential for manufacturing. There is no reason why smaller towns which afford sufficient facilities for transportation should not be utilized for the location of factories, or, indeed, for certain branches of the wholesale trade. This is especially true of articles which are sold by correspondence or through commercial salesmen or advertising.

It is evident there will be an increased price for articles of which there is a disappearing or diminishing supply of raw material. This is perfectly obvious, and there are numerous articles essential for comfortable living the materials for which are becoming scanty.

#### THE COST OF LABOR.

It is not at all probable that the wages of labor will decrease. Indeed, that is not to be desired. As a result, partly of political and partly of social conditions, the situation of the wage earner has greatly improved in our own country, and it is agreed that this improvement is not only for his benefit but for the benefit of the Nation as a whole.

There is no more accurate barometer of business prosperity than the employment of labor. Universal employment means that the largest class of consumers is able to buy commodities, and thus create a demand for the products of the farm and the factory. As an indication also it shows clearly that factories and other enterprises are busily engaged.

#### INDICATIONS THAT LOOK TOWARD CHEAPNESS.

On the other hand, the triumphs of invention and improved mechanism are constantly making easier the task of producing a great variety of articles of utility; better utilization of capital and more improved methods of transacting business alike contribute to this result. Relatively speaking, at least, it is not probable that manufactured commodities will increase in cost unless there is a scarcity of the materials required. Every indication points rather to a decline.

#### THE INFLUENCE OF GOLD PRODUCTION.

Indications are not lacking that this very important influence in the present course of prices has reached its maximum. In the first place, there is a check in the increased annual production, which is extremely significant. The year 1902 showed a gain in gold production over 1901 of \$36,000,000; in 1903, an increase of \$31,000,000 over the preceding year; in 1904, of \$20,000,000; and in 1905 of \$33,000,000; passing to 1908, \$30,000,000 in excess of the preceding year; but the increase in 1909 over 1908 was less than \$12,000,000, and that of 1910 over 1909 less than a million, while that of 1911 over the preceding year was only \$7,000,000. This shows in the last three years, and especially for 1910, a very marked falling off in increased gold production, and furnishes a basis for the conjecture that there has been such a rise in prices that enterprise and capital will—at least in a measure—begin to seek other directions. Indeed, South Africa is the only locality in which the increase has assumed importance in recent years.

It has already been stated in this connection that the effect of a great increase in the supply of precious metals on prices in time is neutralized. The great quantity is widely scattered; it is absorbed partly by nations where it has not been in any considerable use before. The growth of commerce and industry require the additional supply. Larger quantities are used for the ordinary transactions of life, larger bank reserves are maintained, and in every way the demands incident to a season of great progress square themselves with the situation created by increased supplies of gold.

#### REMEDIES.

It would be rash to predict an early return to low prices. All the great factors, which have only partially been portrayed, depend upon new conditions which have arisen, some of which are inseparably connected with substantial benefits to the human race. If prices have increased, human enjoyments have increased also.

In considering the question of remedies a note of caution is necessary, to the effect that no great reliance can be placed upon legislative action. While the enactment of laws by Congress and State legislatures gives promise of some degree of relief, the real source of the difficulty must be traced to a condition which is world-wide and embraces forces so potent that no political action can effectually meet the situation.

It is no doubt desirable that many rates of duties in our tariff schedule should be materially reduced and others removed entirely, but, as already stated, if such reductions are so drastic as to cause an entire or partial abandonment of local industries, the demand upon foreign supplies will cause an increase in prices both there and here. No real relief will be obtained and the diminished employment and restricted market at home will entail a disadvantage quite out of proportion to the benefits gained.

A proposition for reciprocity with Canada was adopted last year under which wheat, potatoes, and other numerous products of the farmer were to be admitted free. I confidently anticipate that at no distant date an adjustment of this general nature will be adopted between the United States and Canada. It should, of course, give equal regard to the agricultural interests so that, as far as possible, they may enjoy any possible benefit of decreased duties on manufactured articles; but no one can be sanguine that such removal of the duties on agricultural products brought in from Canada or from any country will cause any material decrease in prices. The effect would be somewhat similar to that created by the opening up of great fields in the West, though in view of the much larger and more rapidly increasing consumption of the present day the effect would by no means equal the result of the development of agricultural lands after the Civil War.

Free importations would aid in times of scarcity, would tend to prevent the control of the market by corners or absorption of supply, and would no doubt have some effect in the reduction of the cost of food products. But our own demand for these articles is so great, and shows such increases from year to year, that in connection with an increased demand the world over, the additional supplies available would have but very slight effect upon the prevalent level of prices.

Strict enforcement of the laws for the prevention of monopoly and any and all illegal practices relating to the control of prices will have a most salutary effect. At the same time it is by no means desirable to ignore the beneficial effects of large scale operations and the better utilization of capital and labor under modern methods which utilize by-products, secure economies, and prevent much waste in production and distribution. One object which should always be borne in mind is to so control great aggregations of capital as to retain at least the potentiality of competition and prevent the adoption of oppressive methods.

In the prosecution of large scale operations it is probable that many of the various processes from raw material through manufacture and distribution to the consumer will be prosecuted by one organization. However much we may decry this tendency, or however much we may lack control of industrial enterprises, we may be reasonably certain that this method will be adopted more and more in the future.

More intelligent and more adequate control must be exercised over great industrial and commercial organizations so that the full benefit of modern development in industry and commerce may accrue in proper measure to all classes of consumers. No adequate remedy will be attained until the same advance which has been made in production and in the diffusion of masses of commodities shall be applied to the minutest details of distribution. Our natural resources, much of which have been wasted or too largely absorbed by the few, must be more carefully utilized, and every possible means be taken not only to preserve a proper share of them for the future but to make them a heritage and a source of benefit to all classes of our population.

The increasing prices of farm products may stimulate a "back-to-the-farm" movement. It is a great economic law that effort and enterprise are directed toward those branches of endeavor which promise the greatest profit. The attractions of farm life have been greatly increased by rural free delivery, by the use of the telephone, by the development of good roads, a species of improvement in which there is an almost unlimited opportunity for further advancement. At any rate, more scientific methods of cultivation will be adopted and the average yield per acre will be increased. The wide gap which now exists between prices obtained for farm products and those which are charged to the consumer can be lessened, and thus a benefit conferred both on the farmer and the consumer.

No treatment of this subject is complete unless we recognize the marvelous progress and the abounding opportunities which

belong to the American citizen, and the manifest disposition toward development along material lines. There have been instances in which the humble immigrant, coming from his native land to the New World in the hope of enjoying greater equality and opportunity, has achieved such success that he might build a palatial mansion far more stately than the baronial castle of his one-time overlord, and his wife might array herself in jewels and garments eclipsing the coronation robes of the queen. How wonderful have been the triumphs of the American financier and business man! Many can display a munificence far outshining—

The wealth of Ormus and of Ind,  
Or where the gorgeous East, with richest hand,  
Showers on her kings barbaric pearl and gold.

But all this abundance has in it a menace of an extravagant enjoyment of our opportunities, and an avarice in which lurk dangers of decay. If there is any salutary lesson which we can derive from this present era of the high cost of living, it is that we should practice the old-time virtues of frugality and economy.

It has been said that nations like individuals have their periods of youth, of maturity, and of decay. The olden time is replete with the records of tribes which swept down from the mountain upon the plain and the valley and subdued those who had not the incentive to labor or the discipline of self-denial and effort of those who were nurtured and lived in more barren regions. In many instances the hardy stock of conquerors, after dwelling for a time in fertile lands and with more promising surroundings, in turn succumbed to luxury and to decay. Is there not this same danger that in industrial competition those who have a severe struggle for bread will gain advantages over us? The extravagance and profligacy which wealth sometimes breeds display a danger signal.

In the quickly changing course of events in this modern day there may be ground for apprehension that the same decay from stalwart national life and homely domestic virtues which required long ages in the past may occur in a few cycles of national existence.

In seeking a remedy for the present high prices and high cost of living we may dismiss many of the nostrums which have been proposed, for we are inevitably forced to the conclusion that tendencies quite beyond human control have led to the present situation. Nevertheless we can in a measure combat this tendency by the education of the individual to a higher standard of private virtue and civic interest. Every movement which tends in this direction not only aids our political life but helps to solve the problem of economics and of business. With the assurance that the American people have a surpassing fitness to meet all trying situations and afford an intelligent solution in any emergency, we may hope that the ultimate effect of present conditions will bring substantial benefit rather than harm.

#### APPENDIX I.

Extracts from reports of American consular officers abroad, together with tables of price ranges in various foreign cities, gathered and compiled by Mr. O. P. Austin, of the Bureau of Statistics, Department of Commerce and Labor:

##### EUROPE.

##### ENGLAND, BRITISH ISLES.

For some months there has been a steady increase in the cost of some of the principal articles connected with the grocery and provision trades, which has made the cost to the consumer higher. Sugar has been steadily advancing. Butter has increased in price \$7.30 a hundredweight as compared with last year. (Consul Albert Halstead, Birmingham.)

The increased cost of meat is symptomatic of almost every item that figures in the national larder. (Consul Albert Halstead, Birmingham.)

While there has been a moderate advance in the rate of wages, there has been a much greater advance in the cost of living. (Consul W. C. Hamm, Hull, England.)

During the past five years there has been an advance of 20 per cent in purchase price of the following necessities in the markets of the Southampton consular district: Fresh beef, mutton, bacon, ham, butter, eggs, fruit, tea, dried fruits, sugar, coffee, fuel. (Consul A. W. Swaim, Southampton, England.)

The London Daily Mail calls attention to the increase during the last 15 years in the prices of almost all articles of food which enter into the daily consumption of the great masses of people in London. (Consul General J. L. Griffiths, London.)

The Cooperative Wholesale Societies (Ltd.) have prepared the following table showing the increased cost of certain articles in the United Kingdom since 1908:

(In cents per pound.)

Year.	Bacon and hams.	Butter.	Cheese.	Lard.	Flour.	Meal.	Sugar.	Tea.
1898.....	9.92	22.70	10.48	6.48	2.78	2.46	2.98	32.34
1910.....	16.38	25.74	13.12	13.66	2.45	2.32	4.06	30.93

(Consul General J. L. Griffiths, London.)



According to several of the leading papers of Great Britain, the cost of living in luxuries and necessities, food, clothing, and transport "has increased enormously in price during the past nine years." At the present time the increase over 1902 is in many instances more than 25 per cent, and the average increase in 22 leading commodities (as worked out by the Economist) is 23 per cent. Since the coronation of King Edward VII the price of foodstuffs has gone up a fraction over 2 shillings (48.6 cents) on the pound sterling (\$4.866). (Consul H. D. Van Sant, Dunfermline.)

Price per 100 pounds of commodities specified imported into the United Kingdom during the calendar years 1896-1909.

	1896	1897	1898	1899	1900	1901	1902
Bacon.....	\$7.50	\$7.69	\$7.85	\$7.79	\$9.07	\$10.23	\$11.46
Hams.....	9.34	9.27	8.58	8.99	10.18	10.57	11.31
Beef, fresh.....	8.21	8.35	8.29	8.39	8.59	8.58	9.27
Beef, salted.....	5.33	5.36	5.68	5.63	5.78	5.69	6.90
Beef, preserved.....	11.39	11.66	15.71	12.62	12.22	12.06	12.85
Mutton, fresh.....	7.07	6.57	6.43	6.86	7.48	7.95	8.21
Mutton, preserved.....	7.15	7.08	7.19	7.77	10.18	11.26	10.50
Pork.....	7.67	7.57	7.74	7.79	8.27	8.54	8.85

	1903	1904	1905	1906	1907	1908	1909
Bacon.....	\$11.47	\$10.22	\$10.09	\$11.48	\$12.01	\$11.06	.....
Hams.....	11.96	10.85	10.28	10.64	12.44	10.94	.....
Beef, fresh.....	8.74	8.05	7.71	7.70	7.88	7.96	.....
Beef, salted.....	6.14	5.64	6.15	5.87	6.32	8.15	.....
Beef, preserved.....	13.90	12.57	13.00	16.90	24.23	18.46	.....
Mutton, fresh.....	8.46	8.54	8.37	8.13	8.24	8.06	.....
Mutton, preserved.....	9.39	10.35	11.13	11.29	9.47	10.37	.....
Pork.....	8.63	8.51	8.64	8.70	8.81	8.56	.....

## GERMANY.

Living conditions in Germany, as in most parts of the civilized world, are seriously affected by the continued rise in the prices of food products, many having advanced far above all previous records. (Consul General A. M. Thackara, Berlin.)

During the five years last past the cost of living in this part of Germany and throughout the Empire has materially increased. This increase in numerous instances has caused privations. (Consul Frank Dillingham, Coburg.)

There was a marked advance in the prices of almost every kind of food during 1911. Counting the average prices for the decade 1889 to 1898 as 100, the following are the relative averages for prices in main groups of products for 1909, 1910, and 1911:

Classes of products.	1909	1910	1911
Grains.....	119.05	106.55	112.02
Other domestic agricultural products.....	120.05	121.77	140.00
Foreign agricultural products.....	111.90	111.92	124.48
Animal products.....	128.84	142.05	136.68
Textile products.....	124.29	131.77	138.77
Minerals.....	118.76	121.17	131.11

The general index price for 39 articles was 5,148 in 1911, as compared with 4,662 in 1910 and 4,724 in 1909. (Consul General A. M. Thackara, Berlin.)

Price per pound of beef, fair cuts, and pork, fair cuts, in the markets of Danzig, Berlin, Magdeburg, Mannheim, and Stuttgart, in Germany, during the calendar years 1896-1908.

Years.	Danzig.	Berlin.	Magdeburg.	Mannheim.	Stuttgart.
<b>BEEF.</b>					
1896.....	Cents. 12.2	Cents. 13.2	Cents. 13.5	Cents. 16.2	Cents. (1)
1897.....	12.2	13.4	13.8	16.2	(1)
1898.....	12.5	13.5	14.6	16.2	(1)
1899.....	13.1	13.5	14.6	16.2	16.0
1900.....	13.1	13.6	14.6	16.2	16.0
1901.....	13.3	13.0	14.6	16.2	16.0
1902.....	13.4	14.5	14.9	16.2	16.0
1903.....	14.4	14.8	14.9	16.2	16.0
1904.....	14.0	14.9	15.0	16.2	16.6
1905.....	14.6	15.5	15.8	16.8	17.1
1906.....	15.9	16.6	16.7	17.8	17.7
1907.....	15.9	16.7	16.0	19.3	18.1
1908.....	15.5	16.5	15.2	19.1	18.1
<b>PORK.</b>					
1896.....	11.9	12.9	12.2	14.5	(1)
1897.....	12.6	14.0	12.9	15.5	(1)
1898.....	13.8	15.1	14.3	16.3	(1)
1899.....	13.3	14.7	14.0	15.5	15.3
1900.....	12.2	14.5	14.0	15.5	14.7
1901.....	13.9	15.3	14.0	16.5	15.9
1902.....	14.6	16.2	15.9	17.4	16.6
1903.....	13.0	15.3	15.1	15.9	15.2
1904.....	12.5	14.3	14.0	14.7	14.9
1905.....	15.6	16.7	15.8	14.4	16.9
1906.....	17.2	18.2	17.9	19.8	18.0
1907.....	14.7	16.1	16.2	16.7	15.9
1908.....	14.9	16.3	15.8	17.1	16.7

<sup>1</sup> No data.

Year.	Tokyo.	London.	New York.	Hamburg.	Paris.
1899.....	100	100	100	100	100
1900.....	107	114	109	110	106
1901.....	101	101	105	99	102
1902.....	102	98	111	97	103
1903.....	108	103	111	99	103
1904.....	114	105	111	103	101
1905.....	122	105	114	107	104
1906.....	126	114	121	117	113
1907.....	136	122	129	124	118
1908.....	131	107	116	112	107
1909.....	124	104	121	109	107
1910.....	126	110	125	115	114

(Consul Talbot J. Albert, Brunswick.)

## HIGHER PRICES OF FOODSTUFFS.

The increased cost of living due to the higher prices of foodstuffs is the cause of much complaint in Germany. The advances shown by the most important articles of food during the past year are shown by the following table of wholesale prices:

Articles.	February, 1911.	February, 1912.
Wheat..... bushels <sup>1</sup> .....	\$1.26	\$1.38
Rye..... do.....	.97	1.28
Oats..... do.....	1.12	1.39
Corn..... do.....	.88	1.21
Barley (cattle feed)..... do.....	.92	1.20
Peas..... pound.....	.17	.21
Rye flour..... do.....	.0203	.0248
Wheat flour..... do.....	.0259	.0273
Wheat bran..... do.....	.0105	.0155
Rye bran..... do.....	.0103	.0155
Straw..... 100 pounds.....	.486	.6055
Hay..... do.....	.5076	.885
Coffee..... pound.....	.1183	.1415
Sugar..... do.....	.0199	.0332
Table beans..... do.....	.0324	.0432
Lentils..... do.....	.0216	.0432
Potatoes..... 100 pounds.....	.54	1.188
Beef..... pound.....	.1728	.1728
Beef (belly piece)..... do.....	.1296	.1404
Pork..... do.....	.1404	.1404
Veal..... do.....	.1296	.1512
Mutton..... do.....	.1404	.1404
Butter..... do.....	.2376	.2808
Eggs..... dozen.....	.30	.36
Lard..... pound.....	.1129	.1021

<sup>1</sup> 60 pounds.

## FRANCE.

The increased cost of the ordinary foodstuffs in Paris and throughout northern France has become the most generally absorbing topic of public interest. The prices of meats and produce of all kinds advanced during the month of September, 1911, to figures unprecedented in the markets of Paris. (Consul General Frank H. Mason, Paris.)

The increased cost of living is seriously felt in the city of Lyon, and there has been a great deal of agitation among the local labor unions to find some means to check a further rise in prices. (Consul C. B. Hurst, Lyon.)

The cost of many articles of food increased considerably during the past decade, among the articles being the following, the price representing 2.2 pounds: Bacon, salted, 46 to 48 cents; beef, ordinary cuts, 42 to 48 cents; and ham, 46 to 52 cents. During the decade the price of chickens increased from 68 to 77 cents each, and eggs, per dozen, from 23 to 34 cents. (Consul General Skinner, Marseille, France.)

The cost of living in this city has considerably increased in the past 10 years, and is constantly the subject of French comment and continual complaint on the part of those whose salaries remain unchanged. Moreover, there is every indication that the augmentation of prices will continue. (Consul J. E. Dunning, Havre.)

The extremely high price of all food articles was much higher in France in November, 1911, than in the United States. The following table shows French food prices in November, 1900, 1911, and the comparative average American prices during the latter period:

	Beef.	Lamb.	Potatoes.	Eggs.	Butter.	Milk.	Flour.	Sugar.	Tea.
France:	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
November, 1900.....	23	30	1	40	30	4½	7	12	75
November, 1911.....	39	49	2½	58	44	6	8	10	100
United States, November, 1911.....	25	20	1½	40	40	8	4	7	60

(Consul James E. Dunning, Havre, France.)

Not only the native Spaniards in Seville but also the foreign residents are confronted by the high cost of living here. Local conditions are peculiar and a foreigner is inclined to feel that luxuries are sometimes cheap and necessities invariably expensive. (Vice Consul Harris N. Cookingham, Seville.)

Any comparative study of the cost of living must naturally take account of the comparative well-being of the two peoples, and no report on living conditions in France could be complete without reference to the very remarkable capacity of the people to achieve comfort at a low cost. Despite the very high price of food, it is still possible for the small French family to live happily, according to its own standards, at a much lower rate than would be paid in the United States for the support of an equal number of individuals.

The difference, however, does not come out of the fixed charges of life, such as rent, food, clothing, and fuel, but is created by comparative luxury which applies to the similar class in America. Where the American family of similar class tends to live up to or beyond its income in supplying itself with household luxuries, such as musical instruments, electric lights, ornamental furniture, labor-saving kitchen appliances, illustrated periodicals, modern bathrooms, patented foods in packages, and the many other characteristic American adjuncts, which are placed in such abundance before the most modest households by clever and persistent advertising, the French family of equal station has so far considered all such objects as beyond its reach. The real source of the difference is in the character of the people, average ambition in France being devoted to living comfortably on a comparatively fixed income, whereas in the United States income is regarded as ever subject to increase through effort.

It must be said, however, that within the last five years France has shown, in common with other Continental countries, that decided heightening of the popular appetite for luxury which has been at the bottom of the advanced cost of living the world over. A very marked taste for minor luxuries is making itself felt, and it is quite evident that the difference in favor of lower cost of living in France tends to disappear in consequence. The average family is less and less satisfied to live under the old conditions in which economy rather than physical comfort was the rule. (Consul James E. Dunning, Havre.)

## SPAIN.

Much popular dissatisfaction with the high cost of foodstuffs in Spain. (Consul Robert Frazer, Jr., Valencia.)

The problem of greatly increased cost of living is as acute here as in the United States. All the necessities of life have gone up steadily in price, and there does not seem to be any immediate relief. (Consul E. J. Norton, Malaga.)

Living is more expensive in Madrid than in any other city in Spain. Rents are about 50 per cent higher and other things about 25 per cent. This is easily accounted for by the fact that nothing is raised in the vicinity of the city and that it is the home of practically all the wealthy people of the Kingdom. (Consul Charles L. Hoover, Madrid.)

## NETHERLANDS.

Prices of important foodstuffs increased 16 to 55 per cent in 12 years. The world tendency to higher prices is a partial cause. (Consul F. W. Mahin, Amsterdam.)

The material increase in the price of foodstuffs during the past six months is in the main only a continuation of a movement which has existed for the past 15 years. Since then—1896—prices have steadily mounted. (Consul F. W. Mahin, Amsterdam.)

## SWITZERLAND.

Beef, veal, pork, and bacon have gone up in price 25 per cent since January, 1905. Almost every article used in the household has gone up in the same period. So sharp has been the pinch of high prices on the working classes that the Government has decided to permit the importation of frozen beef. (Consul D. I. Murphy, St. Gall, Switzerland.)

Price per pound of articles specified in the city of Berne, Switzerland, during the calendar years 1889-1907.

	1889-1891	1892-1905	1903	1904	1905	1906	1907
	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
Beef, ox.....	13.4	14.0	15.1	14.3	14.3	14.8	15.8
Beef, steer.....	11.7	12.5	13.0	13.4	13.5	13.7	14.0
Veal.....	13.7	15.3	17.5	16.9	14.7	17.2	17.5
Mutton.....	13.3	14.4	15.9	16.3	15.9	15.8	15.9
Pork.....	16.1	17.0	18.0	18.4	17.0	18.9	19.4
Bacon, raw.....	7.3	7.7	7.7	7.4	7.0	6.9	7.9
Bacon, smoked.....	8.4	8.1	8.9	8.5	8.2	8.1	9.3
Fat.....	14.7	14.2	15.8	14.4	14.0	13.4	14.3
Lard.....	16.5	14.5	16.2	15.7	14.0	15.5	17.5

## GREECE.

The same amount of money expended by a family per annum in Greece and the United States would secure in the latter country a larger degree of the comforts and luxuries of life than in the former. (Consul A. B. Cooke, Patras, Greece.)

## ITALY.

The economic conditions of life are becoming, it is alleged, more and more difficult to the poorer classes. Lodgings of an unpretentious nature have materially advanced in rentals; prices of food, wine, and other commodities have increased; and there has been a corresponding advance in the cost of cotton goods, shoes, and other necessary industrial products. The middle classes also suffer much from similar conditions, especially those living on small incomes or pensions. (Consul Long, Venice, Italy.)

In no place in Italy is the increased cost of living more keenly felt than in Milan. \* \* \* The price of meat is steadily increasing. \* \* \* House rents have advanced 30 per cent in three years. (Consul C. M. Caughy, Milan.)

The price of hogs in Milan has reached a figure critically high, and it shows no signs of declining. (Vice Consul J. B. Young, Milan.)

The past few years have witnessed a general increase in the cost of living throughout Italy. (Consul General J. A. Smith, Genoa.)

The cost of living has increased very rapidly at Leghorn during the last two years, especially as regards food products. Wages of factory employees and of common laborers, including domestic servants, are to-day 75 per cent higher than in the spring of 1909.

The following list gives the prices of the ordinary items which enter into the cost of living:

Articles.	1909	1911
Wine.....per quart.....	\$0.055-\$0.092	\$0.118-\$0.137
Bread.....per pound.....	.026-.035	.035-.053
Meats.....do.....	.088-.210	.184-.315
Coffee.....do.....	.263-.332	.438-.480
Butter.....do.....	.219-.263	.307-.350
Olive oil.....per quart.....	.912-1.824	1.461-1.828
Fish.....per pound.....	.078-.175	.157-.263
Salt.....do.....	.053	.053
Sugar.....do.....	.131	.144
Potatoes.....do.....	.014	.018

Men's clothing sold in 1909 for \$11.58 to \$16.40 per suit and in 1911 for \$13.50 to \$17.37. In 1909 a five-room apartment rented for \$4.82 to \$6.75 per month and in 1911 for \$6.75 to \$9.65. Apartments of 10 to 12 rooms rented from \$9.65 to \$15.44 per month in 1909 and \$13.50 to \$19.30 in 1911. Domestic servants received \$2.32 to \$2.86 per month in 1909 and \$4.83 to \$6.75 in 1911. (Consul Frank Deedmeyer, Leghorn.)

## AUSTRIA.

Since 1907 the following articles have advanced in price as indicated by the percentage: Lard, 17; butter, 20; flour, 50; potatoes, 25; bread, 40; meal, 60; sugar, 20; veal, 12; pork, 10. In fact, every other article entering into household expenses has advanced in price. (Consul J. I. Britton, Prague, Austria.)

In common with the rest of the world, Austria has been affected by the increased cost of living and complaints are made on every hand. Unrest over the increased cost of living showed itself in a nation-wide protest against the price of meat. (Consul Charles Denby, Vienna.)

In all parts of Austria meetings have been held recently to protest against the continuous advance in prices of all kinds of foodstuffs. \* \* \* Prices had advanced so rapidly in all food products as to have the effect of creating most distressing conditions. (Consul W. J. Pike, Reichenberg.)

The cost of living has increased rapidly in the last 10 years in western Bohemia. (Consul Will L. Lowrie, Carlsbad.)

Average yearly price per pound of commodities specified in the markets of Vienna during the calendar years 1899, 1900, 1905 to 1908.

[Data taken from the Austrian Yearbook.]

	1899	1900	1905	1906	1907	1908
	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
Beef.....	12.53	12.52	14.36	15.00	15.66	15.46
Veal.....	13.08	13.08	14.54	15.46	15.93	15.00
Pork.....	13.82	13.81	15.65	16.48	16.49	15.74
Mutton.....	9.76	9.76	11.69	11.23	12.07	12.98
Smoked meat.....	14.55	14.54	16.85	16.75	18.33	17.40
Bacon.....	9.95	9.94	11.87	11.41	12.43	11.97
Lard.....	10.32	10.31	12.52	12.43	14.09	13.99
Butter.....	21.18	21.17	25.78	26.88	24.08	26.88

Average yearly price per pound of commodities specified in the markets of Trieste (Austria-Hungary) during the calendar years 1899, 1900, and 1905 to 1908.

[Data taken from Austrian Yearbook.]

	1899	1900	1905	1906	1907	1908
	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
Beef.....	8.57	8.56	12.24	12.24	13.54	9.94
Veal.....	10.22	10.22	14.92	16.67	21.28	12.52
Pork.....	9.21	9.20	12.34	12.06	12.89	11.79
Mutton.....	6.35	6.35	9.85	.....	12.53	10.22
Smoked meat.....	27.91	27.90	27.62	27.62	24.59	23.85
Bacon.....	9.95	9.94	12.24	11.79	13.63	12.43
Lard.....	11.05	11.04	13.83	13.81	15.20	14.36
Butter.....	22.10	22.09	24.86	25.78	25.79	28.08

## HUNGARY.

The most disquieting feature of the year—1911—was the further rise in the cost of living—an average increase in the value of the necessities of life estimated at 18 per cent. This is particularly remarkable when one considers the steady upward trend of prices since 1907, and unless something is done to relieve the situation those people who depend upon fixed incomes for their sustenance will soon be brought to the verge of absolute want. This applies especially to Government employees, of whom there are over 300,000 in Hungary. The prices of the necessities of life are considerably higher here than in the United States. The average price of beef carcasses here in 1911 was \$15.31 per 100 pounds and of hogs \$14.95 per 100 pounds. (Consul General Paul Nash, Budapest.)

## DENMARK.

From statistics prepared for the Danish Rigsdag in 1908, before the introduction of a bill suggesting the increase of salary for certain Danish officials, it appears that the cost of the necessities of life during the six previous years had increased 15 to 20 per cent and that wages had increased in the same period 10 to 15 per cent.

The following statement shows the average price of leading foods, per Danish pound (1.1 American pounds), in Copenhagen in 1905, 1907, and 1909 (Minister Maurice Francis Egan):

Article.	1905	1907	1909
	Cents.	Cents.	Cents.
Bacon.....pound.....	15	16 $\frac{1}{2}$	24
Beef.....do.....	15	16 $\frac{1}{2}$	16
Butter.....do.....	28	29	29
Eggs.....dozen.....	31	47	48
Fish.....pound.....	9-15	10-17	9-17
Flour.....do.....	3	3	3 $\frac{1}{2}$
Margarin.....do.....	16	18	19
Pork.....do.....	18	19	17 $\frac{1}{2}$
Sugar.....do.....	5 $\frac{1}{2}$	5	5 $\frac{1}{2}$
Veal.....do.....	16	17	17



## RUSSIA.

The increased cost of living throughout Russia is perhaps felt more keenly in Moscow than in any other city of the Empire. Conditions have become so serious that many plans have been mooted for the relief of the people. (Consul General J. H. Snodgrass, Moscow.)

Prices of meats in the city of Moscow, Russia, during the calendar years 1903-1908.

[Price per pound.]

	1903	1904	1905	1906	1907	1908
Beef:						
Prime.....	8.6	9.1	9.7	10.3	10.8	12.0
Good.....	6.8	7.4	8.0	8.0	9.1	9.7
Fair.....	3.4	4.0	5.1	5.1	6.8	6.8
Salted.....	8.6	9.1	8.6	9.7	9.7	10.3
Veal:						
Prime.....	16.0	16.0	17.1	17.7	16.5	16.0
Good.....	7.4	8.0	9.1	9.7	8.6	10.3
Fair.....	5.7	5.7	5.7	6.8	7.4	7.4
Mutton:						
Local—						
Prime.....	8.0	8.6	9.1	9.7	10.3	10.3
Good.....	6.3	6.8	6.8	7.4	7.4	8.0
Brought by rail—						
Prime.....	6.8	6.8	6.8	7.4	8.0	9.1
Good.....	5.1	4.6	4.6	6.3	5.7	6.8
Pork:						
Local.....	7.4	7.4	7.4	8.6	9.1	10.3
Brought by rail, frozen.....	6.3	6.3	5.7	6.8	7.4	8.6
Smoked ham.....	15.4	13.1	13.1	14.8	17.1	17.7

## ASIA.

## CHINA.

The Shensi people are complaining this year that prices are gradually advancing, due to the transportation of hundreds of cartloads of brass cash from Honanfu to the Wei Basin. In eastern China the brass cash are being largely displaced by copper coins. In Shensi, Kansu, and southern Shensi brass cash is still the coin of the realm. It requires 15 pounds of this brass cash to make the equivalent of \$1 United States currency. (Consul Arnold, Amoy, China.)

It is a matter of grave concern to observe from year to year the increasing cost of living which, of course, includes every item of household expenses. (Consul J. C. McNally, Nanking, China.)

## JAPAN.

During July and August, 1911, the price of rice on the Tokyo rice and other grain exchanges advanced to nearly \$2 per bushel, a price never before reached in Japan. The price gradually advanced until on August 9 it reached approximately \$2.07 per bushel. The rise was attributed to the clever and so-called "artificial" manipulation of brokers on the exchange, and not to the laws of supply and demand, as claimed by the brokers. The retail price of cleaned rice has advanced 40 to 45 per cent above these figures, being nearly 50 per cent higher than in 1910. (Consul General Thomas Sammons, Yokohama, Japan.)

According to an article in Osaka Asahi, prices have gone up in Japan over twofold in the last 20 years. \* \* \* Compared with the advance in prices in other countries, the Japanese rate of advance has been about 2 per cent greater than that in London and New York. (Consul G. N. West, Kobe.)

The Japanese press comments favorably upon the telegraphic announcement that the President of the United States favors an international conference regarding the question of the high cost of living. The Japanese native press frequently attributes the increased cost of living to the overproduction of gold. It is stated, as set forth in the appended table, that Tokyo exceeds all other cities of the world in the increase in the cost of living. (Consul General Thomas Sammons, Yokohama, Japan.)

Price per pound of mutton in the markets of Danzig, Berlin, Magdeburg, and Mannheim, in Germany, during the calendar years 1896-1908.

Years.	Danzig.	Berlin.	Magdeburg.	Mannheim.
	Cents.	Cents.	Cents.	Cents.
1896.....	12.3	13.2	12.4	16.2
1897.....	12.4	13.5	12.7	16.2
1898.....	13.7	13.9	13.6	16.2
1899.....	14.4	14.0	13.9	16.2
1900.....	14.7	14.3	14.4	16.2
1901.....	14.8	14.3	14.0	16.2
1902.....	15.3	15.2	15.1	16.2
1903.....	15.5	15.6	14.1	16.2
1904.....	14.9	16.0	13.9	16.2
1905.....	16.2	16.7	14.8	16.2
1906.....	17.5	17.6	15.9	17.1
1907.....	18.0	17.5	16.3	18.9
1908.....	17.7	17.4	16.5	17.8

## SYRIA.

A limited supply of edibles has already caused a great increase in prices and considerable hardships to the poorer classes. Meats have risen over 30 per cent, and butter in proportion; flour, 20 per cent; potatoes, 25 per cent; fruits and vegetables, 50 per cent; fuel, 50 per cent; and clothing, 20 per cent. (Consul J. B. Jackson, Aleppo, Syria.)

Outside of staple articles, such as coffee, sugar, petroleum, and a few others of less importance, the cost of living has increased 20 to 50 per cent within the past year. The prices of meats have risen over 30 per cent, and butter in proportion; flour, 20; potatoes, 25; vegetables, 50; fruits, 50; clothing, 20; fuel, 50; and rents, from 25 to 40 per cent. Household servants and similar employees demand from 50 to 75 per cent more than formerly, and common labor has increased from 25 to 35 per cent. (Consul Hollis, Beirut, Syria.)

## ASIA MINOR.

One of the inexplicable things in connection with this country is the remarkable increase in the price of everything, and there is not one article that goes into any of the relations of life that has not almost doubled in price during the past five years. (Consul W. W. Masterson, Harput, Asia Minor.)

## AFRICA.

## CAPE COLONY.

The cost of living in Port Elizabeth is high, and would equal that of American cities of equal size. (Consul E. A. Wakefield, Port Elizabeth, Cape Colony.)

## AUSTRALIA.

In the last few years much has been heard of the increased cost of many household commodities, and the question is one which touches the interests of all. (Consul Magellisen, Melbourne, Australia.)

During the past 10 years the increase in the cost of living in New South Wales amounts to an average of 20 per cent. The tariff has had nothing to do with the increase in price of meat; but of all advances there is none more striking than the advance in coal. It costs more to furnish a house now than it did in 1900. (Vice Consul General H. D. Baker, Sydney.)

## NORTH AMERICA.

## CANADA.

Notwithstanding abundant crops, there has been a decided rise in the price of farm and animal products but not in wages in the Province of Prince Edward Island. (Consul Frank Deedmeier, Canada.)

## MEXICO.

The cost of living in the city has doubled during the past 10 years, and only the well-to-do can afford to buy foreign food products. Laborers' wages have advanced from 38 cents in 1893 to 62 cents in 1911 for 10 hours' work. The increases in clerks' salaries have not kept pace with the advance in laborers' pay, and they range from about \$25 to \$75 per month. Mechanics earn \$1 to \$2 per day. (Consul General Canada, Vera Cruz, Mexico.)

Retail prices of provisions at Vera Cruz have steadily advanced in cost to the consumer for years, with no prospect of ever resuming their former level. Wages and salaries have not kept pace with the increased cost of living. (Consul W. W. Canada, Vera Cruz, Mexico.)

## SOUTH AMERICA.

The high cost of the first necessities of life was no doubt a prime factor in the year's labor difficulties. The price of second-quality bread advanced 70 per cent in 10 years. (Consul General R. M. Bartleman, Buenos Aires.)

The cost of living has increased greatly in Chile during the last four years, which has made it very hard for the working people. (Consul A. A. Winslow, Valparaiso, Chile.)

## APPENDIX II.

Index numbers comparing the cost of living, earnings, and hours of labor in Germany, France, Belgium, and the United States, with Great Britain (100) for the period 1905-1909.

[From an article by Henry J. Harris, published in volume 2 of the American Economic Review.]

	United Kingdom.	Germany.	France.	Belgium.	United States.
Net rents paid.....	100	123	98	74	207
Cost of food, heating and lighting for a workman's family....	100	118	118	99	133
Estimated cost of net rent, food, and heating for an average family.....	100	119	114	94	152
Weekly earnings.....	100	83	75	63	230
Hours of labor per week.....	100	111	117	121	95

## APPENDIX III.

The following tables were prepared under the direction of Henry G. Sharpe, Commissary General, United States Army:

TABLE I.—Statement showing components of a ration and units of quantities for one ration during the fiscal years 1890 to 1912.

Components of ration.	1		2		3	
	1890		1891 to 1899		1900	
	Quantity.	Unit.	Quantity.	Unit.	Quantity.	Unit.
Beef, fresh.....	14	Ounce..	14	Ounce..	14	Ounce..
Bacon, issue.....	3.6	do.....	3.6	do.....	3.6	do.....
Flour, issue.....	18	do.....	18	do.....	18	do.....
Baking powder.....						
Beans.....	1.2	Ounce..	1.2	Ounce..	1.2	do.....
Rice.....	.8	do.....	.8	do.....	.8	do.....
Potatoes, fresh.....			12.8	do.....	12.8	do.....
Onions, fresh.....			3.2	do.....	3.2	do.....
Prunes.....					.6	do.....
Jam.....						do.....
Apples, evaporated.....					.7	do.....
Peaches, evaporated.....					.7	do.....
Coffee, green.....	1.6	Ounce..	1.6	Ounce..	1.6	do.....
Coffee, roasted and ground.....						do.....

TABLE I.—Statement showing components of a ration, etc.—Continued.

Components of ration.	1		2		3	
	1890		1891 to 1899		1900	
	Quantity.	Unit.	Quantity.	Unit.	Quantity.	Unit.
Sugar.....	2.4	Ounce..	2.4	Ounce..	2.4	Ounce.
Milk, evaporated.....						
Vinegar.....	.32	Gill....	.32	Gill....	.32	Gill.
Pickles, cucumber.....						
Salt.....	.64	Ounce..	.64	Ounce..	.64	Ounce.
Pepper, black.....	.04	do.....	.04	do.....	.04	Do.
Cinnamon.....						
Lard.....						
Butter.....						
Sirup.....						
Soap.....	.64	Ounce..	.64	Ounce..	.64	Do.
Flavoring extract, lemon.....						

  

Components of ration.	4		5	
	1901 to 1907		1908 to 1912	
	Quantity.	Unit.	Quantity.	Unit.
Beef, fresh.....	14	Ounce..	14	Ounce.
Bacon, issue.....	3.6	do.....	3.6	Do.
Flour, issue.....	18	do.....	18	Do.
Baking powder.....			.08	Do.
Beans.....	1.2	Ounce..	1.2	Do.
Rice.....	.8	do.....	.8	Do.
Potatoes, fresh.....	12.8	do.....	16	Do.
Onions, fresh.....	3.2	do.....	4	Do.
Prunes.....	.48	do.....	.384	Do.
Jam.....			.64	Do.
Apples, evaporated.....	.66	Ounce..	.128	Do.
Peaches, evaporated.....	.56	do.....	.128	Do.
Coffee, green.....	1.6	do.....		
Coffee, roasted and ground.....			1.12	Do.
Sugar.....	3.2	Ounce..	3.2	Do.
Milk, evaporated.....			.5	Do.
Vinegar.....	.32	Gill....	.08	Gill.
Pickles, cucumber.....			.08	Do.
Salt.....	.64	Ounce..	.64	Ounce.
Pepper, black.....	.04	do.....	.04	Do.
Cinnamon.....			.014	Do.
Lard.....			0.64	Ounce.
Butter.....			.5	Do.
Sirup.....			.32	Gill.
Soap.....	0.64	Ounce..		
Flavoring extract, lemon.....			.014	Ounce.

TABLE II.—Statement showing approximate cost of the ration from 1890 to 1907 and the actual cost from 1908 to 1912.

Index number. <sup>1</sup>	Fiscal year.	Cost per ration.	Annual cost of food for one soldier.
1.....	1890	\$0.1318	\$48.11
	1891	.1471	53.65
	1892	.1605	58.58
	1893	.1594	58.15
	1894	.1510	55.11
2.....	1895	.1442	52.63
	1896	.1415	51.65
	1897	.1251	45.82
	1898	.1281	46.72
	1899	.1362	49.71
3.....	1900	.1747	63.87
	1901	.1948	71.17
	1902	.1936	70.81
	1903	.1971	71.90
	1904	.1916	70.08
4.....	1905	.1908	69.71
	1906	.1801	65.70
	1907	.1862	67.89
	1908	.1881	68.62
	1909	.2105	76.66
5.....	1910	.2144	78.26
	1911	.2335	85.23
	1912	.2365	86.32

<sup>1</sup> The index numbers 1 to 5 refer to the preceding table and correspond to similar numbers in that table under which are given the standard ration for the years indicated.

Mr. OVERMAN. I move that the Senate adjourn.

Mr. BRISTOW. I hope the Senator will withhold that motion.

Mr. OVERMAN. I will withdraw it for the present.

Mr. BRISTOW. I understand that the Senator from Louisiana [Mr. THORNTON] desires to address the Senate.

Mr. OVERMAN. I think he does not wish to go on this evening.

Mr. THORNTON. I am much obliged to the Senator from Kansas, but the hour is late, nearly all Senators have gone away, and I am perfectly willing to let it go over.

Mr. BRISTOW. Should we not have an executive session, then?

SEVERAL SENATORS. Very well.

#### EXECUTIVE SESSION.

Mr. BRISTOW. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After six minutes spent in executive session the doors were reopened and (at 5 o'clock and 18 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, July 31, 1912, at 12 o'clock meridian.

#### NOMINATIONS.

*Executive nominations received by the Senate July 30, 1912.*

##### COLLECTOR OF INTERNAL REVENUE.

Sim T. Wright, of Alabama, to be collector of internal revenue for the district of Alabama in place of Joseph O. Thompson, removed.

##### ASSISTANT SECRETARY OF THE INTERIOR.

Lewis C. Laylin, of Ohio, to be Assistant Secretary of the Interior, vice Carmi A. Thompson, resigned.

##### APPOINTMENTS IN THE ARMY.

##### MEDICAL RESERVE CORPS.

*To be first lieutenants with rank from July 27, 1912.*

Montgomery Herman Biggs, of North Carolina.

Samuel Jayne Fort, of Maryland.

Melvin Marcus Franklin, of Pennsylvania.

Marvin Whitfield Glasgow, of Alabama.

Rufus Hansom Hagood, jr., of Alabama.

Charles Herbert Parkes, of Illinois.

Marshall Carleton Pease, jr., of New York.

William Webster Root, of Pennsylvania.

Joshua Edwin Sweet, of Pennsylvania.

Frank Cary, of Illinois.

Edward Wright Peet, of New York.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate July 30, 1912.*

##### COLLECTOR OF INTERNAL REVENUE.

Sim T. Wright to be collector of internal revenue for the district of Alabama.

##### POSTMASTERS.

##### ILLINOIS.

Hugh P. Faught, Tower Hill.

Zeno J. Rives, Litchfield.

##### MISSISSIPPI.

H. C. Turley, Natchez.

##### OHIO.

James D. Carpenter, Lodi.

J. W. McKee, Celina.

##### OREGON.

William J. Sweet, Bandon.

##### PORTO RICO.

Alfredo Gimenez y Moreno, Bayamon.

Hortensia R. O'Neill, San German.

Simon Semidel, Yauco.

#### INJUNCTION OF SECRECY REMOVED.

*Tuesday, July 30, 1912.*

The injunction of secrecy was removed from a copyright convention between the United States and Hungary, signed at Budapest on January 30, 1912. (Executive C, 62d Cong., 2d sess.)



## HOUSE OF REPRESENTATIVES.

TUESDAY, July 30, 1912.

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite and eternal spirit, father of all souls, we thank Thee for the precious thought taught and exemplified in the life and character of the Jesus of Nazareth which tends to solidify all nations into one family; that what hurts one nation hurts all the peoples of the world; what helps one helps Thy children everywhere; hence our hearts go out in sympathy for the stricken and mourning people of Japan in the loss of their beloved Emperor who has led them through all the vicissitudes attending their country for 40 years, ever onward and upward, to the betterment of conditions in the home, society, and government. Teach them that God lives and reigns in the hearts of men. Grant, O most merciful Father, that they may find in the new Emperor one who will lead them on to the betterment of conditions in the arts of peace, happiness, and good will, and Thine be the praise in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 5545) providing for the issuing of patent to entrymen for homesteads upon reclamation projects.

The message also announced that the Senate had passed the following order:

*Ordered*, That the Secretary of the Senate communicate to the House of Representatives an attested copy of the answer of Robert W. Archbald, additional circuit judge of the United States for the third judicial circuit, to the articles of impeachment.

## STREET RAILWAY, TERRITORY OF HAWAII.

Mr. FLOOD of Virginia. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 18041, with a Senate amendment, and to concur in the amendment.

Mr. STEPHENS of Texas. There is a special order to-day.

The SPEAKER. The legislative situation is that there is a special order giving the gentleman from Texas [Mr. STEPHENS] right of way with the Indian appropriation bill.

Mr. STEPHENS of Texas. That bill is H. R. 20728.

The SPEAKER. The gentleman from Virginia says it will only take a minute in this case. If the gentleman from Texas will yield to the gentleman from Virginia, why, the Chair is willing to entertain the request.

Mr. STEPHENS of Texas. I withhold, as I understand this is merely to correct a mistake.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (H. R. 18041) granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii.

The SPEAKER. What is the amendment?

Mr. FLOOD of Virginia. To insert the word "freight."

The SPEAKER. The Clerk will report the amendment.

The Senate amendment was reported.

Mr. FLOOD of Virginia. I desire to say that the word "freight" was in the bill when it was first reported from the Committee on the Territories. In some way it was not printed, and the committee ordered a reprint in order to get that word in, and when the bill passed the House in some way the original print was passed instead of the reprint, and the bill went to the Senate, and there the word "freight" was inserted in it because the House wanted it done and the Senate thought it proper it should be done. That is the only amendment to the bill.

Mr. MANN. Is it not rather an important amendment?

Mr. FLOOD of Virginia. It is.

Mr. MANN. The bill as read to the House, a copy of the bill which I had as reported to the House, did not contain the word "freight."

Mr. FLOOD of Virginia. The committee intended that word to be in the bill, and I believe the House thought it was there at the time it was passed.

Mr. MANN. I am sure the House did not think it.

Mr. FLOOD of Virginia. At any rate, it ought to be there, and the Senate has put it in. The fact that the word was in the bill as reported was discussed when the matter was before the House, because I remember stating that the only objection to this bill came from a steam railroad that this electric line was to parallel for a short distance, and that the steam road

did not want the electric line to have the right to carry freight. This amendment gives that right, and without this amendment it might not have the right to carry freight. With this amendment left out the steam railroad will have accomplished by a mistake what it could not accomplish directly.

Mr. MANN. The steam railroad had no occasion to accomplish anything in the House—

Mr. FLOOD of Virginia. It tried to do it.

Mr. MANN. Because the committee reported the street railway franchise without the word "freight" in it.

Mr. FLOOD of Virginia. It was reported with the word "freight" in it, but in the printing of the bill the word "freight" was left out, and then the committee ordered a reprint with the word "freight" in it, and by some mistake when the bill passed the House the original print was passed instead of the reprint.

Mr. MANN. Of course the committee did not have any authority to order a reprint. The print of a bill when it is reported to the House is not made by the committee but by the House. This bill was not printed with the word "freight" in it.

Mr. FLOOD of Virginia. The second print had the word "freight" in.

Mr. MANN. Another print was made that Members of the House did not have and the Clerk will not have. We got the printed bill as reported, and we are entitled to believe that is the print of the bill as reported. Now, this is a very important matter, as to whether a street car franchise should include freight. I am not going to object to the request, but it seems to me a very careless way of enacting legislation.

Mr. FLOOD of Virginia. The carelessness was not mine or that of the Committee on Territories.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table this bill and concur in the Senate amendment. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

## ENROLLED BILLS SIGNED.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 16518. An act for the relief of the Fifth-Third National Bank of Cincinnati, Ohio; and

H. R. 18041. An act granting a franchise for the construction, maintenance, and operation of a street railway system in the district of South Hilo, county of Hawaii, Territory of Hawaii.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 122. Joint resolution providing for the payment of the expenses of the Senate in the impeachment trial of Robert W. Archbald.

## INDIAN APPROPRIATION BILL.

Mr. STEPHENS of Texas. Mr. Speaker, I ask to take from the Speaker's table the bill H. R. 20728, the special order for this morning.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (H. R. 20728) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1913.

Mr. STEPHENS of Texas. Mr. Speaker, I ask unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman from Texas asks unanimous consent to consider this bill in the House as in the Committee of the Whole House on the state of the Union. Is there objection?

Mr. BURKE of South Dakota. Mr. Speaker, I think that order has already been made by unanimous consent.

Mr. MANN. I think not. That would restrict the time of debate to five minutes to any Member who obtained the floor. The gentleman from Colorado [Mr. RUCKER] desires some time and I might need some time myself.

The SPEAKER. The RECORD shows that this order was agreed to on July 25, 1912, and it states:

On motion of Mr. STEPHENS of Texas, by unanimous consent, *Ordered*, That on Tuesday next, immediately after the reading of the Journal, the bill H. R. 20728, with Senate amendments, be taken from the Speaker's table and considered in the House as in the Committee of the Whole House on the state of the Union.

Mr. STEPHENS of Texas. Now, Mr. Speaker, I move that all the Senate amendments to this bill be disagreed to and conferees be appointed on the disagreeing votes of the two Houses.

The SPEAKER. The gentleman from Texas [Mr. STEPHENS] asks unanimous consent that this bill be taken from the Speaker's table and all the Senate amendments disagreed to.

Mr. MANN. Mr. Speaker, it is already taken from the Speaker's table under the order. Now, the gentleman from Colorado [Mr. RUCKER] desires time to discuss one of the amendments. I suggest he take the time now.

Mr. UNDERWOOD. Mr. Speaker, I think there should be a limitation in this time, and I hope before the gentleman from Texas [Mr. STEPHENS] yields the floor that he will insist on an agreement as to time, and hold the floor and yield it himself.

Mr. STEPHENS of Texas. Mr. Speaker, I believe under the rule I am entitled to an hour, and I think that is all we should devote to the bill.

Mr. MANN. Under the rules the gentleman would be entitled to five minutes.

The SPEAKER. If it is considered in the House as in the Committee of the Whole House on the state of the Union, undoubtedly the five-minute rule prevails. That is one of the chief objects of considering it in that way.

Mr. BURKE of South Dakota. This unanimous-consent order that was obtained was under an arrangement made by the chairman of the committee and the gentleman from Colorado [Mr. RUCKER] by which it was understood the gentleman from Colorado was to have some time to discuss the amendment upon which I understand he desires to make a motion to concur.

Mr. MANN. It was understood he was to have an hour's time.

The SPEAKER. There was something said about an hour. There is not any question about that, although the memory of the Chair concerning it is somewhat hazy.

Mr. STEPHENS of Texas. That was on yesterday.

Mr. UNDERWOOD. There was nothing said. If the suggestion had been made, I would have objected.

Mr. BURKE of South Dakota. That was a private arrangement of the gentleman from Texas [Mr. STEPHENS], and I will say to the gentleman from Alabama [Mr. UNDERWOOD] that, so far as the chairman of the committee and other members of the committee are concerned, I think they are opposed to the amendment of the gentleman from Colorado, but they will consume very few minutes, even if the gentleman from Colorado is given an hour.

Mr. UNDERWOOD. My objection to this matter is that there are four important bills here on the Speaker's table that ought to go to conference—three tariff bills and the sundry civil bill—and I think no lengthy delay ought to be occasioned. I hope the gentleman can agree on a reasonable time for debate.

Mr. STEPHENS of Texas. Let the gentleman have 30 minutes by unanimous consent, if the House will agree to that, and I think we will not need that much time in reply on our side.

Mr. RUCKER of Colorado. I really understood last night that there was a tentative agreement that I should have an hour in which to present this matter.

Mr. MANN. Mr. Speaker, the other day when this matter was up I first objected to sending this bill to conference without consideration, in the temporary absence of the gentleman from Colorado [Mr. RUCKER]. It was stated then privately among gentlemen that he desired an hour's time, and it was agreed among them that he ought to have the hour's time if the bill can be disposed of from the Speaker's table; and it was only in that way that unanimous consent was granted, and I think he should have his hour's time.

Mr. STEPHENS of Texas. We would be willing, I think, on our side to accept 15 minutes if the gentleman will agree to use only 45 minutes on his side. It is only one amendment.

Mr. BURKE of South Dakota. So far as the amendment is concerned on which the gentleman from Colorado desires to make a motion to concur, I think the debate ought to be limited to an hour, the gentleman from Colorado [Mr. RUCKER] to have 45 minutes and the gentleman from Texas [Mr. STEPHENS] to control 15 minutes. I do not know how much time other gentlemen may desire in which to discuss this bill as to any other amendments. So far as I am concerned, I do not desire to discuss any amendment.

Mr. RUCKER of Colorado. That is satisfactory to me.

Mr. UNDERWOOD. Mr. Speaker, I have no objection to that arrangement, unless there is going to be unlimited time consumed with other amendments, and if we are going to make an agreement as to division of time, I think there should be an entire agreement as to that division.

Mr. BURKE of South Dakota. My suggestion was only with reference to this particular amendment. I do not know that there is any other amendment to the bill that any gentleman desires to debate.

Mr. MANN. There are several amendments in the bill that I desire to discuss. I am perfectly willing to take a limited time.

Mr. STEPHENS of Texas. What time does the gentleman from Illinois [Mr. MANN] desire?

Mr. MANN. Under the circumstances, 15 minutes. Possibly I will not use that.

Mr. STEPHENS of Texas. An hour and a quarter. Would that be satisfactory, then?

Mr. UNDERWOOD. I think so, if the gentleman asks that all debate on the proposition be closed at a quarter of 1.

Mr. MANN. There are 57 amendments to this bill—

Mr. STEPHENS of Texas. Mr. Speaker, I ask unanimous consent that debate be closed on the bill and amendments, and final vote be taken at 15 minutes to 1, and the previous question be considered as ordered at that time.

The SPEAKER. The gentleman from Texas [Mr. STEPHENS] asks unanimous consent that debate on this bill and amendments close at 15 minutes before 1 o'clock, at which time the previous question shall be considered as ordered.

Mr. MANN. What is the request?

The SPEAKER. That the debate on this bill and amendments close at 15 minutes to 1 o'clock, and at that time the previous question be considered as ordered.

Mr. MANN. How is the time to be controlled?

Mr. STEPHENS of Texas. Fifteen minutes by myself, 15 minutes by the gentleman from Illinois [Mr. MANN], and 45 minutes by the gentleman from Colorado [Mr. RUCKER].

Mr. MANN. Fifteen minutes to me?

Mr. STEPHENS of Texas. Fifteen minutes to the gentleman from Illinois.

Mr. MANN. Would that still give the right to move to concur after the previous question?

Mr. STEPHENS of Texas. I understand the gentleman from Colorado [Mr. RUCKER] intends to move to concur in amendment No. 91.

The SPEAKER. As at present advised, the Chair thinks after the previous question is ordered it does not cut out a motion to concur.

Mr. MANN. It certainly does not.

The SPEAKER. Is there objection?

Mr. MILLER. Reserving the right to object, I want to be clear about how this time is to be divided.

Mr. STEPHENS of Texas. Fifteen minutes on the part of the committee, 15 minutes on the part of the gentleman from Illinois [Mr. MANN], and 45 minutes on the part of the gentleman from Colorado [Mr. RUCKER].

Mr. MILLER. Mr. Speaker, may I ask if it is not rather unusual, when the Indian appropriation bill is to be considered, that the committee is to have 15 minutes, and the gentleman from Illinois [Mr. MANN] a like amount, and the gentleman from Colorado [Mr. RUCKER] 45 minutes?

Mr. STEPHENS of Texas. We are trying to arrive at an agreement, so as to save time.

Mr. MILLER. That may all be true, but several other members of the committee may have something that they care to say on the same question that was raised by the gentleman from Illinois [Mr. MANN]. I do not care to say anything, so far as I am concerned, but if the gentleman from Illinois is to have 15 minutes, which seems to be somewhat incongruous, and if the arrangement is made in order to accommodate him, I think it is entirely right, yet I do not think—

Mr. MANN. I am entitled to 15 hours, if I care to take it, under the rules.

Mr. MILLER. The gentleman from Colorado [Mr. RUCKER] is looking out for his State, and—

The SPEAKER. Is there objection?

Mr. MILLER. I object to that arrangement.

Mr. ROUSE. Regular order!

Mr. UNDERWOOD. Then, Mr. Speaker, we shall have to proceed under the five-minute rule.

Mr. MANN. I give notice now that there will be no more bills taken from the Speaker's table by unanimous consent and disagreed to if such an arrangement as this is not kept.

Mr. UNDERWOOD. When the gentleman from Illinois will point out arrangements that are made in this House they will be observed, but when the gentleman makes a private arrangement without the knowledge of the floor leader on this side he can not expect that it will be observed. The suggestion came from that side of the House, and—

Mr. MANN. This bill was taken from the Speaker's table the other day by unanimous consent, with the distinct statement that the gentleman from Colorado [Mr. RUCKER] should have an hour's time.



Mr. UNDERWOOD. If the gentleman will refer to that statement in the RECORD, the arrangement will be observed.

Mr. MANN. It may not be in the RECORD. If private arrangements made in good faith can not be observed to the conduct of a bill, we will have the regular order all the time.

Mr. CARTER. Mr. Speaker, I want to submit a request for unanimous consent, and that is that we have one hour and a half of debate, 15 minutes of which shall be controlled by the gentleman from Illinois [Mr. MANN], 45 minutes by the gentleman from Colorado [Mr. RUCKER], and 30 minutes by the committee.

The SPEAKER. That would run to 1 o'clock, instead of 15 minutes to 1.

Mr. CARTER. Yes; it would last 15 minutes longer.

The SPEAKER. The gentleman from Oklahoma [Mr. CARTER] asks unanimous consent that this debate close at 1 o'clock. The Chair supposes that the request of the gentleman from Texas [Mr. STEPHENS] as to the previous question goes with it?

Mr. CARTER. Yes.

Mr. MANN. I understood that he requests certain time.

The SPEAKER. Yes. The gentleman from Oklahoma [Mr. CARTER] asks unanimous consent that debate on these amendments and this conference report close at 1 o'clock, and that at that time the previous question shall be considered as ordered and that the gentleman from Illinois [Mr. MANN] shall have 15 minutes, the committee 30 minutes, and the gentleman from Colorado [Mr. RUCKER] 45 minutes.

Mr. UNDERWOOD. Now, Mr. Speaker, reserving the right to object, I wish to make this statement. I desire to give gentlemen on the floor of this House a reasonable opportunity to consider these bills. I have no desire to do otherwise. But, with four important bills awaiting the action of the House to go to conference, which, if not disposed of, will delay the final adjournment of this Congress, I want gentlemen to understand from now on that if they desire to make a division of time by agreements on the floor of this House and want this side of the House to carry out such agreements, they must either put them in the RECORD or communicate with the floor leader on this side of the House.

Mr. MANN. Then I shall make no private agreements of any kind, after this bill is disposed of, with the gentleman from Alabama.

Mr. UNDERWOOD. I think the gentleman is right about that. I do not think they should be made.

Mr. MANN. They are made frequently with this side by the gentleman from Alabama, and carried out.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. CARTER]? [After a pause.] The Chair hears none. It was stated that the request of the gentleman from Texas [Mr. STEPHENS], to the effect that at 1 o'clock the previous question be considered ordered, should be a part of the request made by the gentleman from Oklahoma [Mr. CARTER]. Is there objection to that? [After a pause.] The Chair hears none.

Mr. BURKE of South Dakota. Before that begins, 5 minutes' time has gone. We can not have 15 minutes and 30 minutes and 45 minutes by 1 o'clock.

The SPEAKER. That will make it 5 minutes after 1 o'clock.

Mr. STEPHENS of Texas. Mr. Speaker, amendment No. 91 is the amendment that is objected to by the gentleman from Colorado [Mr. RUCKER]. That amendment reads in this way:

(91) That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the administrator of the estate of John W. West, deceased, out of any money in the Treasury of the United States standing to the credit of the Cherokee Nation of Indians, the sum of \$5,000 and interest thereon at the rate of 5 per cent per annum from September 16, 1884, in full payment of the award made by the commission appointed pursuant to the authority contained in the seventh article of the treaty with the Cherokees promulgated August 17, 1846, and which award was approved by the Secretary September 16, 1884, and his action reaffirmed April 26, 1886.

This matter has been before Congress for many, many years. I hold in my hand a statement from the Secretary of the Interior, dated July 24, 1912, in which this language is used:

Amendment No. 91, page 35, beginning with line 7, authorizes the Secretary of the Interior to pay \$5,000 to the administrator of the estate of John W. West, together with interest thereon at the rate of 5 per cent per annum from September 16, 1884, in full payment of the award made by the commission appointed pursuant to the authority contained in the seventh article of the treaty with the Cherokees, promulgated August 17, 1846, and which award was approved by the Secretary of the Interior September 16, 1884, and since reaffirmed. This claim has been pending before the department, this office, and Congress for a great many years. It has been carefully investigated and reconsidered a number of times. D. W. C. Duncan, commissioner on the part of the Cherokee Nation, and J. Q. Tufts, United States Indian agent, appointed pursuant to the seventh article of the treaty of 1846, reported in favor of the claim of the heirs of John W. West in the sum of \$5,000, together with a "moderate rate of interest" thereon.

The Secretary of the Interior says in regard to a similar bill, on which he reported on December 26, 1911, that—

The department during the last 25 years has made a number of reports on the claim in question. The department, in its report dated December 26, 1911, said that "in view of the history of this claim, the action heretofore made thereon, and the long delay in the prosecution thereof," it would not be justified in recommending the passage of H. R. 6544.

That bill (H. R. 6544) is in the exact language of the amendment No. 91, proposed to be concurred in by the gentleman from Colorado [Mr. RUCKER]. If we concur in this amendment, we do it over the objection of the department, made in a letter dated Washington, D. C., March 3, 1910, in which we find this language:

The claim of certain heirs of John W. West was so interwoven with this case that the record is very voluminous. Bills were introduced in Congress for the relief of the heirs of John W. West on at least two occasions, but were never passed. Nothing in the record shows that these improvements were ever appraised at \$42,000, as alleged by the attorneys in this case.

The case having been fully considered and long since closed, it is not thought that any action should be taken in the matter. There is nothing in the record to show that E. C. Alberty, who appears to have employed Messrs. Kight and Lee, is in any way related to any of the parties to the claim. Buford West was without children, and Nancy Markham, his former wife, also appears to have died without issue. It has been held that John W. West, being an emigrant Cherokee, had no title and had never been awarded any part of the estate either by Congress or by any action of the Cherokee Nation, and if Alberty claims as an heir of the John W. West estate, there is nothing due him. Very respectfully,

JESSE E. WILSON, Assistant Secretary.

In the face of these adverse reports the Senate has put on this appropriation bill amendment No. 91, for the purpose of taking out of the treasury of the Cherokee Nation \$5,000 and paying this old stale claim. The Senate has also added amendments amounting to between \$7,000,000 and \$8,000,000. Many of these amendments are claims similar to this. If this House is willing to pass this West claim, then it instructs your committee in effect to admit the rest of these claims, amounting to several million dollars, as proper legislation on this Indian appropriation bill.

This class of amendments has no place on an appropriation bill, and should not be considered here. This West bill is on the Private Calendar of this House and can be called up under the rules of the House, when it can be thoroughly discussed and its merits can be fully understood and discussed by the House. We should not submit to these claims being placed upon our appropriation bills in the other body in violation of our rules and brought here, as is done in this case, in the hope that we will have to take them as a whole or reject them as a whole.

I reserve the balance of my time.

The SPEAKER. The gentleman from Colorado [Mr. RUCKER] is recognized for 45 minutes.

Mr. RUCKER of Colorado. Mr. Speaker, it is early in the morning and I trust that your eyes are clear. I want simply to brush the cobwebs away from this proposition. I want to address myself first to the lawyers of this body, and next I want to address myself to the laymen in behalf of the justice of this claim.

There are many duties devolving upon Members of Congress. The amount of money involved in this claim is small, \$5,000 with interest, amounting in all to \$10,000, and I do not believe there is any lawyer in this body who would have undertaken to go through this record and look at it from a lawyer's standpoint for as much money as there is involved in it.

I want to begin by saying that while it is an old claim, and laches has been set up as an objection against it, I am going to develop the fact that the laches has been upon the part of the Cherokee Nation and the Government of the United States, and was not chargeable to the claimants who are now asking for this relief. Not one of these claimants is a constituent of mine. I do not know one of them personally. I was chosen as the chairman of a subcommittee to examine this claim, and I want to say in this connection that before I was honored with membership upon the Indian Committee I discussed this case with the chairman of the committee, who in 1909 put in a similar bill, of which this is a verbatim copy, for the allowance of this claim, and when he replies I am going to ask him to tell us what change has come over the spirit of his dreams to make him reverse the judgment that he formed when he introduced that bill in behalf of these claimants whose claim he is now opposing.

Something has been said to the effect that this claim should not be paid because John W. West was not a Western Cherokee; that he was an Eastern Cherokee, and therefore did not come within the treaty; and that the award made by the commission, regularly appointed pursuant to said treaty, in favor of these claimants may be disregarded on that account. Upon that point some proof has been offered that some children of John W.

West were put upon the roll of the Eastern Cherokees; but I have a letter, written day before yesterday by the commissioner, showing that the original claimant, John W. West and his children, were enrolled in 1851 by the Cherokee authorities as Western Cherokees.

I have this letter before me, but will not take the time to read it. But aside from this, there is positive proof that John W. West was a Western Cherokee, as set out in the report of the committee—House Report No. 820, this Congress—wherein the committee says upon this point:

As to the third objection, viz, that John W. West was an Eastern Cherokee, the record, among other things shows: The commission in its report states that the salt deposit was discovered by Bluford West in 1832, and traces the work done in the development of the property down to October 30, 1843, and then adds:

"All this time John W. West was living about 2 miles from the saline (Testimony, p. 101). John did not work himself, but he worked his two negroes, Bill and Jake. Jake was the blacksmith (Testimony, pp. 102, 117, 131-132, 134; Exhibit F). Some time in the winter of 1841-42 Bluford West, John W. West, and David Vann came to the house of Joe Vann and entered into a contract of partnership for the purpose of operating the saline, each partner taking a third interest (Exhibit F). Political troubles having arisen, the work upon the saline was discontinued, and the Wests were compelled, out of regard to their own safety, to abandon the nation (Testimony, pp. 156, 102; Exhibits I, F2). John W. West settled in Washington County, Ark. Prior to this time [the winter of 1841-42] the saline had been Bluford West's individual property, but John W. West had labored with Bluford from the beginning in helping to develop it." (Testimony, pp. 19, 102, 131-132, 134; Exhibit F.)

This is positive testimony that John W. West was in the nation in 1832 and remained until 1844, when, because of the political troubles and out of regard to his own safety, he was compelled to abandon the nation. As the finding of the commission is clear that he was there in 1832, it follows, of necessity, that John W. West was a Western Cherokee. In addition to this proof we find in the report of the commission appointed in 1844 (S. Doc. 140, 28th Cong., 2d sess., pp. 41-43) positive proof that John W. West was a Western Cherokee. The following question was submitted by the commission to the Cherokee authorities:

"Question. State the relative number and description of official stations held by the 'old settlers' (Western Cherokees) for each year since June, 1840."

The answer contains a list only of the Western Cherokees who held office in the nation from 1839 to 1841, inclusive, in which list (p. 43) the name of John W. West appears. Opposite his name are the letters "T. P.," meaning "treaty party," which was composed of those Western Cherokees who favored the treaty of 1839 between the Eastern and Western Cherokees. In addition to this positive testimony there has been filed with the committee the following telegram, signed by a son of John W. West, deceased, which is corroborative of the official record:

[Telegram.]

PORUM, OKLA., May 28-29 m.

WEBSTER BALLINGER,

1415 G Street NW., Washington, D. C.:

I only know what my father told me. He came to the Cherokee Nation with his parents in 1830, then located near the salt well, and in the year 1834 went back to Tennessee after his family and returned in 1835.

JOHN C. WEST.

This proof your committee believes conclusively establishes that John W. West was a Western Cherokee. No evidence has been presented to your committee by the attorney for the Cherokee Nation in support of his statement that John W. West was an Eastern Cherokee, except the alleged fact that the names of certain of the children of John W. West were enrolled by judgment of the Court of Claims in 1910 as Eastern Cherokees. Upon this alleged evidence your committee is asked to set aside the finding of the commission in 1883, which finding was based upon positive evidence. This your committee declines to do. It is significant in this connection that D. W. C. Duncan, the Cherokee commissioner, who, it must be assumed, knew the facts with reference to John W. West, never challenged or questioned the fact that he was a Western Cherokee. But if he were, in fact, an Eastern Cherokee, your committee does not believe that fact would have deprived the commission of jurisdiction of his claim. John W. West acquired an interest in the property at the commencement of the work in 1832, and his interest was defined and recognized as a one-third interest in the contract with his brother, Bluford, which was signed by them in the winter of 1841-42 and before the confiscatory act of October 30, 1843. He did his part in the development of the property and paid partnership debts after dispossession. Neither he nor his heirs have ever received one cent for the property taken. The Cherokee commissioner, D. W. C. Duncan, representing the Cherokee Nation, heard and considered his claim and joined in the award. The Cherokee Nation is therefore, by all the rules of conscience, estopped from raising this question.

I want to say to you lawyers that I am bulwarked in the position I take by a unanimous decision rendered by a commission appointed under treaty of 1846, whereby a representative of the Cherokee Nation was appointed by the Cherokee authorities and a representative of the United States was appointed in accordance with that treaty to hear and finally determine this claim. You have the report before you and it is not necessary for me to read it. The seventh article of that treaty provides:

The value of all salines which were the private property of individuals of the Western Cherokees and of which they were dispossessed, provided there be any such, shall be ascertained by the United States agent and a commissioner, to be appointed by the Cherokee authorities; and should they be unable to agree they shall select an umpire, whose decision shall be final, and the several amounts found due shall be paid by the Cherokee Nation or the salines returned to their respective owners.

The Cherokee Nation refused, for years and years, to appoint its commissioner. Finally the Secretary of the Interior, Mr. Teller, whom you all know, who served as long in the United States Senate, I think, as any other Senator, and who was a painstaking official, decided that the Cherokee Nation had been derelict in its duty in not appointing its commissioner, and demanded the immediate appointment by the nation of its commissioner.

Secretary Teller, in a letter to the Commissioner of Indian Affairs dated November 27, 1882, said:

The treaty provided specifically how the value of the claims for salines should be ascertained and settled.

This treaty provision, enacted into law, has not been complied with; its nonfulfillment is entirely due to the neglect of the Cherokee authorities to appoint a commission to act with the United States agent in fixing the value of the saline.

The Cherokee Nation should follow the treaty. \* \* \* The United States and the Cherokee Nation are alike bound by the treaty. \* \* \* and to see to its fulfillment for the benefit of those whose interests are specially involved in the provisions thereof. \* \* \* The agent should be instructed to advise the proper authorities of the Cherokee Nation that he is ready to proceed under the provisions of the treaty to value the salines \* \* \* and to request the nation to appoint a commissioner to act with him, as required by the treaty, in the matter.

Pursuant to these instructions the commission was appointed, D. W. C. Duncan being appointed by the Cherokee authorities, and John Q. Tufts, the United States Indian agent, acting for the United States.

The treaty required that if the two commissioners did not agree a third, an umpire, should be chosen to determine the difference, if there should be any. Conforming to the evidence, both of these commissioners agreed that John W. West was entitled to a one-third interest in this saline deposit, and a unanimous award was made in his favor for \$5,000, and the commission suggested that as the claim was for property actually taken such reasonable rate of interest should be allowed as would be in accord with the dictates of equity and good conscience, the exact finding of the commission being in part as follows:

It is the opinion of this commission that John W. West, in his lifetime, and at the date of his death, was justly entitled to a one-third interest in the saline in question, and that by means of his death his heirs or legal representatives have rightfully succeeded to the same. As to who these heirs are, see testimony, page 100.

If the valuation (\$15,000) approved by this commission should be sustained, then there will be due the heirs of John W. West the sum of \$5,000.

As to the matter of interest the commission would only suggest that the claim is for property that was actually taken, and of the use of which the claimants and their testator have been unjustly deprived. It would seem that some moderate rate of interest would be in accord with the dictates of equity and good conscience.

A rehearing was asked before Secretary Teller, which was denied. In concluding his opinion, Secretary Teller says:

I therefore decline to reconsider the decision of the department of August 29, 1883, for the purpose of declaring that that part of the report of the commission relating to John W. West, or his heirs, is outside of the scope of their duties under the treaty. In the decision of August 29, 1883, your recommendations "that the heirs of John W. West should be left to pursue their remedy before the Cherokee authorities, if they see fit, without interference in their behalf by the department," was concurred in.

It now appears by papers filed by Allen Gilbert, as attorney and agent for the heirs of John W. West, deceased, that the claimants presented said claim to the Cherokee National Council held in November, 1883, praying for its allowance and payment; that the said council adopted a report adverse to the payment of the claim, made by a committee of that body; and that said council still refuses to pay the claim, or any part thereof. In view of these facts he claims that it is the right of the United States Government, as a party to the treaty, to insist on its fulfillment by the Cherokee Nation, and he therefore prays that such steps may be taken by this department as will secure the rights of the claimants. The treaty provided that if the United States agent and Cherokee Commission fail to agree, "they shall select an umpire, whose decision shall be final, and the several amounts found due shall be paid by the Cherokee Nation, or the salines returned to their respective owners."

The Cherokee Nation has not only failed but refuses to comply with the terms of the treaty. There are no funds to the credit of the Cherokee Nation out of which this department can order payment of the amount claimed by the heirs of John W. West, deceased, and as it is therefore not considered within the power of this department to enforce payment of the claim without special legislation by Congress therefor, the matter should be presented to the Congress for appropriate action.

In order to do this you will prepare and submit the necessary papers in proper form to be laid before Congress at the approaching session.

Succeeding Secretary Teller was Secretary Lamar, whom you all knew of, than whom there was never a more efficient Secretary of the Interior. No more painstaking lawyer ever served upon the Supreme Bench of the United States. He heard this case and also confirmed and approved the findings of this commission. Concluding his decision, Secretary Lamar says:

No new evidence has been presented since the decision of September 16, 1884. The hearing took place on 22d and 23d instant, and all the matters stated in argument by the attorneys and counsel have been carefully considered, and the conclusion reached is that no good and sufficient reason has been shown for disturbing the decision on the claim of August 29, 1883, reaffirmed by decision of September 16, 1884.



On the other hand, it is made more clearly to appear that the action already had on the case was right and just. Bills having been introduced in the present Congress (S. 2048, H. R. 7499) for the relief of the heirs of John W. West, deceased, and sent to the department by the Senate and House Committees on Indian affairs for reports, and this day referred to your office, you are hereby instructed to prepare and submit to this department the information called for to be forwarded to those committees.

Now, what else do you want? The only authority fixed by the treaty of 1846, the commission, unanimously found in favor of John W. West for \$5,000. That decision was reviewed by Secretary Teller and reopened by Secretary Lamar, and the findings of the commission were in all respects reaffirmed by both Secretaries.

So I say if you will only get the cobwebs away from your eyes and look at this thing from a legal standpoint you will see that the opposition to this claim has not one leg to stand upon.

There is much testimony. All these people are dead. We had to go back many years to find what the testimony was in examining not only into the ownership but the value of this saline deposit. The commission in its finding says:

At this time—

Speaking of the time when this well was being operated—

John W. West was living about 3 miles from the saline.

The commission refers to the testimony, page 101, which is within the call of any Member of this House.

Bluford West was living on the saline premises.

The commission again refers to the testimony, giving the page.

At this time the work was carried on by the joint labor of the entire West family, John, Bluford, and Ezekiel. John did not work himself, but he worked his two negroes, Bill and Jake. Jake was the blacksmith.

And if you will observe the minority report, it refers to the fact that when this commission went there and made this examination they talked with the blacksmith, who said that they had been working upon this saline deposit for about three years.

Some time during the winter of 1841 Bluford West, John W. West, and David Vann came to the house of Joe Vann and entered into a contract of partnership for the purpose of operating the saline, each partner taking a third interest.

Now, gentlemen, bear in mind that this testimony is uncontradicted from any source whatever. If they went into a partnership, each partner having a third interest, John W. West had a third interest. It turned out afterwards that Vann purchased the kettles with which to carry on the work, but afterwards withdrew from the firm. That would seem as if it left John W. West and Bluford West one-half interest each, but that claim is not made here. We are still claiming that he only had a one-third interest. Yet the testimony is sufficient to lay the foundation for a claim that he was entitled to one-half instead of one-third.

It seems David Vann purchased the kettles with which to carry on the work, but he withdrew from the firm (Exhibit F); and political troubles having arisen, the work upon the saline was discontinued, and the Wests were compelled, out of regard to their own safety, to abandon the nation. (Testimony, pp. 102, 156; Exhibit I. F. 2.) John W. West settled in Washington County, Ark. Bluford West left his family on the saline place and went to Washington, D. C., on business, and there, in 1844 or perhaps in 1845, died. (Testimony, p. 12; Exhibit I. F.) Nancy West, widow, remained on the saline premises till 1850, and then voluntarily abandoned the place because of the decay of the improvements. (Testimony, p. 23.) In 1849 the witness B. W. Alberty and his brother, William Alberty, attempted to work the saline, but being admonished that it was national property they desisted.

I do not know what purpose the Assistant Secretary had in bringing Alberty into the case in the letter that was read by the chairman of the committee, because that does not pertain to this claim in any way whatever. That was the claim that they sought to make afterwards, after the claim had been abandoned by the Wests.

Mr. STEPHENS of Texas. Mr. Speaker, he simply claimed to be an heir of John W. West, and our contention is that John W. West was an Eastern Cherokee and was not entitled to anything whatever.

Mr. RUCKER of Colorado. I have not seen any record whatever that he claimed to be any heir of West. He did not enter upon these premises by reason of any heirship, but he went there for the purpose of inaugurating a new claim upon this saline. As to this question, whether he was a Western Cherokee or an Eastern Cherokee, the Secretary disposes of the matter, as any lawyer, in my judgment, would, by this statement:

The preamble of the treaty of 1846 sets out that "whereas serious difficulties have for a considerable time existed between the different portions of people constituting and recognized as the Cherokee Nation of Indians, which it is desirable should be speedily settled, so that peace and harmony may be restored among them."

No violence is done to the terms of the treaty by entertaining a claim of any Cherokee Indian to an interest in one of said salines, when such interest was acquired from a Western Cherokee. Such a claim is considered as fairly and reasonably provided for by the treaty.

I take it that any lawyer would say that a purchaser from a Western Cherokee, even though the purchaser were an Eastern

Cherokee, would get the title that the Western Cherokee had, even though, as I say, he had been an Eastern Cherokee, which is a disputed fact, because it appears from all of this testimony that these people went there about the same time. John W. West went back to Tennessee, and was gone about a year. He went there to bring out his family, and by reason of his absence it might have been supposed that he was not a Western Cherokee. However that may be, as I say, it is a fundamental proposition of law that whoever has the title may dispose of it to whomsoever he will, and that title will become good, even though the treaty provided that the Western Cherokees should only be the beneficiaries; and so the Secretary of the Interior, Justice Lamar, used that language in discussing and disposing of the question whether this man was a Western or an Eastern Cherokee.

Here is the proposition: Here is a solemn treaty entered into between the United States and the Cherokee Nation, the provisions of which could not be deviated from. The carrying out of these provisions must accord with the treaty, and the treaty provided that the Cherokee Nation should appoint a commissioner and the United States should appoint a commissioner, and should they disagree there should be a third—an umpire—whose decision should be final. It never came to the umpire, because both of these commissioners not only agreed that John W. West had a one-third interest in this claim, but they agreed that it was worth \$5,000. That was the only forum these parties could go to. It was the only settlement. The Government of the United States is a trustee for the purpose of carrying out the terms of this treaty. It has done all in its power to carry it out. It has demanded on two occasions that the Cherokee Nation should conform to the terms of the treaty and appoint its commissioner; and finally that was done; and finally these commissioners agreed upon it, and then it was taken to the Secretary of the Interior for review, and two Secretaries of the Interior, one in two decisions and another in one, confirmed the report of these commissioners. How are you going to get away from that proposition? Where is there any answer to it?

Mr. STEPHENS of Texas. Mr. Speaker, will the gentleman yield?

Mr. RUCKER of Colorado. Certainly.

Mr. STEPHENS of Texas. Is it not a fact that the Cherokee Nation, through its council, paid to West's brother, Bluford West, \$12,000 in full payment of this entire claim, for the whole West family, and did they not accept that; and is it not a fact that John W. West during his lifetime never did make this claim, but that his heirs did it since his death?

Mr. RUCKER of Colorado. No.

Mr. STEPHENS of Texas. That is the record.

Mr. RUCKER of Colorado. No; that is not the record. I want to say to the distinguished chairman of the committee, the claim that Mrs. Markham, the widow of Bluford West, made was for Bluford West's interests, and she made it as administratrix of the estate of Bluford West. Having made it as administratrix, John W. West's claim could not possibly have been brought before that tribunal as a claim, because she made it as administratrix, and here is the testimony that upon a solemn occasion a tripartite agreement was made between David Vann, Bluford West, and John W. West, dividing this saline into three parts, each taking a third, and there is not a particle of evidence in the record to the contrary. I agree that Mrs. Markham got \$12,000 for her interest, but she got that with reference not only to her saline interest, but for the improvements upon this place, whereas John W. West had no improvements upon his claim. It was upon the claim of Bluford West. He had no claim, no personal property there. His sole interest was an interest in the saline, and it was a one-third interest, and that is all that he has ever been asking for. So I disagree entirely with the chairman that \$12,000 was paid in full settlement of all the claims of Nancy Markham, sole heir and administratrix of the estate of Bluford West.

It was paid in full settlement of all the claims of Bluford West. It was paid to her as administratrix and not otherwise. Upon this point the commission found:

The ground taken by the claimant in this case is highly abstract and technical—the legal distinction between personal and representative character—between Nancy Markham and Nancy Markham, administratrix. It is not only technical, but in fact erroneous; for if Bluford West, testator, was dispossessed in 1843, the property taken vested at once in the estate, and at his death, in 1845, there was nothing to descend to Mrs. Markham, as heir, but an claim for damages, entire in law, indivisible. Hence her attempt to divide this one cause of action into two, from motives of policy, basing the distinction solely upon a modification of the claimant's name, has no foundation in reason or law, and should not, we think, be countenanced in a tribunal of justice.

But there is no one to explain these legal niceties to these non-professional members of the council. And when we reflect that many of them were full-blooded Indians, unable to speak or understand the

English language (testimony, pp. 75, 55), without any means of knowing the nature of the business before the house except through the hasty translation by an interpreter, we can easily see how these men might be led to believe they were appropriating the \$12,000 to pay the whole claim in full, notwithstanding there was before them an "itemized account" that left the saline out.

But the claimant has not always been inconsistent in this respect. She had previously been in the habit of proceeding in her own name for the whole claim, including both the "homestead" and the "saline." (Exhibit B, testimony, p. 128.) That the members of the council should presume that, in this instance also, she was proceeding in the same way (for both "homestead" and "saline") is perfectly natural and reasonable.

From the evidence before them, the commission is satisfied that at the time the \$12,000 was appropriated it was the prevailing and candid impression in both the executive and legislative departments of the Cherokee government that it was in full payment of all demands whatsoever and that the claimant's attorneys were cognizant of the fact that it was so understood and ostensibly acquiesced in and encouraged that impression. To hold now that the settlement was anything less than final would be to encourage sharp inaction and effectuate a fraud upon the nation.

It is the opinion of the commission that the settlement was a compromise of all claims and that now there is nothing due to Mrs. Nancy Markham, administratrix, from the nation.

Notice that this related to the claim of Mrs. Markham only and has nothing to do with the claim of John W. West.

Immediately following the above is the finding in favor of the heirs of John W. West. The two claims were at all times treated and considered by the Cherokee Nation, the commission, and the department as separate and distinct claims.

Mr. STEPHENS of Texas. Mr. Speaker, will the gentleman yield?

Mr. RUCKER of Colorado. Yes.

Mr. STEPHENS of Texas. Is it not a fact that John W. West lived in that vicinity all of his life, that he died in 1868, and was aware that this woman was pursuing her claim both before the legislative body of the Indians and before these commissioners, and if he had any interest why did he not present the claim himself? Why wait until 1882?

Mr. RUCKER of Colorado. That statement is not correct. Upon this point the commission found:

In 1849 the present claimant, Mrs. Nancy Markham, herself filed a "memorial" before R. C. S. Broson, United States Indian agent, claiming this same property, in which she admits in the most solemn manner that her husband, Bluford West, in his lifetime had conveyed a one-third interest in the saline to John W. West. (Exhibit B.)

As a circumstance bearing upon this point, it seems that John W. West has been a claimant of this saline from the earliest times, along with his brother Bluford. In 1845 he went to Washington in the interest of his claim. (Exhibits I, Q, R.) John W. West assisted, through Joel M. Bryan, in getting the seventh article inserted in the treaty of 1846 in the interest of this claim. (Exhibit A; testimony, pp. 116, 117, 119, 160, 120.) John W. West but a few hours before he died spoke to his son, William M. West, about his interest in this saline. (Testimony, p. 103.) He paid partnership debts after the dis- possession. (Testimony, p. 156.)

Again, the commission says:

After the close of the war Mrs. Nancy Markham renewed the prosecution of her claim, and on November 8, 1866, she presented her petition before the national council, claiming \$10,000 for the saline property. (Testimony, p. 128.) This effort proved a failure, but in 1873 she again presented her claim; C. N. Vann, W. P. Adair, and Joel M. Bryan were her attorneys. (Testimony, pp. 59, 153, 155.) Adair was a Member of the Senate. (Testimony, p. 67.) S. H. Bengue was helping Mrs. Markham. (Testimony, p. 16.) At the same time the heirs of John W. West were present looking after their interest in the same saline property. (Testimony, pp. 16, 105.) They were represented by Joab Scales and Perry Brewer. At this time Mrs. Markham obtained an appropriation of \$12,000. (Exhibit X.) The heirs of John W. West failed to get anything, and as yet have received nothing. (Testimony, p. 104, answer to interrogatory 22.)

So that it is clear that John W. West during his life prosecuted his claim with diligence; that during his life Mrs. Markham recognized his interest, and that after his death his heirs did all they could to secure payment. This should eliminate in the mind of every lawyer that there was either laches or negligence on the part of the claimant. Mrs. Markham's claim was confounded with an interest in the saline as well as the improvements upon the claim. The treaty of 1846 had nothing to do with the improvements. That had reference to the settlement for the saline, and when Mrs. Markham went before the council and presented her claim she confounded the two interests and asserted a claim for both. One was for an interest in the saline and the other was for personal property. That is how it came.

I want to say that it is true that John W. West died in 1868, but he was exiled from the Territory for a number of years before that, and not only that—and I desire to call this particularly to the attention of my brother lawyers—but the only possible forum, that provided for in the treaty, whereby he or any other owner of a saline claim could go, was this tribunal, made up of a commissioner of the Cherokee Nation and a commissioner of the United States, and that tribunal was never appointed until 1883. I will say to the gentleman he should know that the heirs of John W. West did put in their claim to the Cherokee council. Why did the council refuse to recog-

nize the claim? Because it was not the forum provided for in the treaty.

Mr. STEPHENS of Texas. Does the gentleman desire an answer to that question?

Mr. RUCKER of Colorado. Yes.

Mr. STEPHENS of Texas. It was because John W. West was an Eastern Cherokee and was not entitled to anything whatever under that treaty, and that is the main ground of defense here.

Mr. RUCKER of Colorado. Mr. Speaker, I am very glad now to run the chairman down to the last hole.

Mr. STEPHENS of Texas. And the gentleman will admit this also, that these Eastern Cherokees, he and his heirs, have received funds as Eastern Cherokees and are cut off entirely from anything as Western Cherokees, and that will be found among the records here. Mr. Miller is the man who distributed the Eastern Cherokee funds, and he states that the heirs of John W. West were Eastern Cherokees and had received funds from him in that way. Hence he could not have been a Western Cherokee.

Mr. RUCKER of Colorado. Now, Mr. Speaker, the chairman of as big a committee as the Committee on Indian Affairs will not undertake, I know, to deceive this House, but it is by way of deception. There is no relationship whatever between the distribution of the judgment of the Court of Claims and this claim. There is absolutely no relationship whatever between the two. The gentleman speaks about a letter wherein it says that a "John" West and his children were enrolled in 1851 as Eastern Cherokees. That roll does not contain the name of "John W." West. Now, I have a letter of date of July 22 from the clerk of the Court of Claims, in which he says:

I beg to advise you that the roll of old settlers, of Western Cherokees, made in 1851 and filed in the Court of Claims January 10, 1910, contains, among others, the following names of old settlers from the western district.

Then follows Laura West, Ruth West, John West, Robert West, Jane West, Tallaquah district, Cherokee Nation, group 37. Now, those are the children of John W. West, so in 1851 they were counted as Western Cherokees, and I do not deny what the chairman has said, that Guyon Miller says that they were upon the other roll, but they were upon both rolls, and therefore that does not account for anything but—

Mr. STEPHENS of Texas. Does not the gentleman think if they had been on both rolls and received pay both ways they ought to be satisfied.

Mr. RUCKER of Colorado. Why, I have said to the gentleman that the drawing of pay in the one way or the other has nothing whatever to do with this claim. The two are not associated together. Now, does the gentleman for one moment say that because they drew their allotment or drew the stipend from the one or the other that that has any effect whatever upon this claim? Answer that question.

Mr. STEPHENS of Texas. If they drew their stipend as Eastern Cherokees, then they ought not to be permitted to go along and claim that because they were Western Cherokees they were entitled to this saline. There is such a thing as an estoppel among the Indians as well as white men.

Mr. RUCKER of Colorado. Then I understand the gentleman does not put it upon the ground that because they drew the money by reason of their descent on their mother's side from Eastern Cherokees, but upon the distinction of their being Eastern or Western Cherokees?

Mr. STEPHENS of Texas. If they are Eastern Cherokees, they are not entitled to anything in these salt works.

Mr. RUCKER of Colorado. I have produced here a letter that is of equal credence to the letter the gentleman produced where they are put down as Western Cherokees or old settlers. Now, one is an offset to the other. But aside from that there is positive proof contained in the report of the committee that John W. West was a Western Cherokee, and there is no evidence, either circumstantial or positive, to be produced to the contrary. All that, however, reminds me to refer again, and I want every lawyer in this House to bear that in mind, that it does not make a particle of difference whether they were Eastern or Western Cherokees, yet if we believe the uncontradicted testimony here in that respect it is satisfactorily shown that they are Western Cherokees.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. RUCKER of Colorado. Certainly.

Mr. BYRNS of Tennessee. I have been interested in the gentleman's argument. It seems to me that there is another proposition, and I do not know whether the gentleman has discussed it or not, and that is the question of estoppel in regard to whether John W. West or his estate or his heirs are entitled to the sum which the gentleman claims. I understand that \$12,000 was paid to the heirs of his brother, Bluford West, in



full settlement for improvements on these works. Now, I understand also that the heirs of Bluford West began the prosecution of their claim in 1843, that it was not settled until 1873, that John W. West was living in 1868; that he, and his heirs at his death, sat by and saw this sum paid to the heirs of Bluford West and this claim was not put in and no mention was made of any claim until 1882 or 1883. Now, it seems to me that, taking that state of facts, the question of estoppel would arise as to whether they can come in and ask to collect again for the same thing.

Mr. RUCKER of Colorado. I see the confusion in my friend's mind. I have stated that Bluford West's widow made a claim for the improvements in the saline which she made to the Cherokee council and she got \$12,000 and which she got as administratrix of her husband, but that has nothing to do with this claim. Now, I want to call the attention of the gentleman to the record here. This claim was asserted by John W. West when the property was taken. He came to Washington in 1845-6 and assisted in securing the inclusion of article 7 in the treaty of 1846, for the creation of a commission to adjudicate the claim. In 1849 Mrs. Markham acknowledged the interest of John W. West in the property by a memorial duly recorded in the office of the United States Indian agent for this tribe. The claim was presented to the Cherokee council for payment and no action taken on it because, at least in part, the treaty had provided another tribunal in which it was to be determined. The members of that tribunal were not appointed until 1882, because of the refusal of the nation until that time to appoint its commissioner, at which time John W. West was dead; but the claim was presented by his heirs to that tribunal in seasonable time, by it considered, and an award regularly made, all of which appears in the findings of the commission.

Mr. BYRNS of Tennessee. Does the record show that the claim made by the administratrix of Bluford West was a claim which he owned entire by himself or was he only claiming a part of the property?

Mr. STEPHENS of Texas. Not only that, but if the gentleman will permit, she states she never heard of John West when she prosecuted her case before the Cherokee council. You will find that in the evidence.

Mr. RUCKER of Colorado. The distinguished chairman of the Indian Committee will certainly not stop with that statement.

Mr. STEPHENS of Texas. It is there anyway.

Mr. RUCKER of Colorado. The gentleman knows she made an affidavit in 1849, and while John W. West was alive, in which she stated that John W. West had a third interest in this claim. After his death she contradicted that affidavit, but she did make an affidavit that John W. West entered in a contract with her husband, Bluford West, and acquired a one-third interest in this claim.

Mr. BYRNS of Tennessee. Now, if the gentleman will pardon me, the point I want to get at is this, whether or not the Cherokee Nation, in making a settlement for the improvements to this property, and so forth, settled with the idea that the \$12,000 paid for all the improvements and the entire work, in other words everything that was to be paid for, or whether they paid it with the idea that it was only for a two-thirds interest in the property.

Mr. RUCKER of Colorado. Well now, the gentleman is a lawyer, and he must take the documentary evidence and determine what it amounts to.

Mr. BYRNS of Tennessee. I was asking the gentleman for information; I know nothing myself.

Mr. RUCKER of Colorado. I say the record shows she settled as administratrix of her husband for \$12,000 and then came in afterwards and put in another claim for so much more. The nation could not have considered the \$12,000 paid her as a payment in full for the property, for at the time the payment was made to Mrs. Farkham the claim of the heirs of John W. West was pending before the Cherokee council, and no action was taken on it. The settlement was for her interest alone as sole heir and administratrix of the estate of Bluford West, and the commission so found, and had no connection whatever with the claim of John W. West.

Mr. STEPHENS of Texas. I do not remember. I very often introduce bills by request. I do not remember of having introduced either one of these bills.

Mr. RUCKER of Colorado. I find you did not introduce this bill by request in 1909, which is a copy of my bill, and there has not been anything changed in the record. The record was there then, as it is now, and I do not believe the gentleman from Texas is in the habit of introducing bills simply to build up a record of the number of bills that he introduces in the House. I believe that he must have examined into the merits of this claim when he introduced this bill in 1909.

Mr. STEPHENS of Texas. The bill came up for discussion in 1911, last year, which was the first time that I ever went into it, and I was satisfied there was nothing in it then.

Mr. RUCKER of Colorado. Now, I want to say, Mr. Speaker, in conclusion, that I am bulwaried by the opinion of two of the ablest Secretaries of the Interior that ever occupied that office, one of them having served upon the Supreme Bench of the United States.

The SPEAKER. The time of the gentleman has expired.

Mr. RUCKER of Colorado. Somebody told me that I had five minutes more.

Mr. BURKE of South Dakota. Mr. Speaker, my understanding of the time was that we were to conclude at five minutes after 1 p. m. The gentleman from Texas [Mr. STEPHENS] used about five minutes, and I do not see how the gentleman from Colorado [Mr. RUCKER] could have consumed 45 minutes.

The SPEAKER. The gentleman from Colorado [Mr. RUCKER] has one minute more. The Chair was going by the wrong clock.

Mr. RUCKER of Colorado. Now, Mr. Speaker, I have a letter from the Secretary of which the distinguished chairman did not read the whole. I would like to just put in a few of the things that he did not read. It says:

RELIEF OF HEIRS OF JOHN W. WEST.

Amendment No. 91, page 35, beginning with line 7, authorizes the Secretary of the Interior to pay \$5,000 to the administrator of the estate of John W. West, together with interest thereon at the rate of 5 per cent per annum from September 16, 1884, in full payment of the award made by the commission appointed pursuant to the authority contained in the seventh article of the treaty with the Cherokees, promulgated August 17, 1846, and which award was approved by the Secretary of the Interior September 16, 1884, and since reaffirmed. This claim has been pending before the department, this office, and Congress for a great many years. It has been carefully investigated and reconsidered a number of times. D. W. C. Duncan, commissioner on the part of the Cherokee Nation, and J. Q. Tufts, United States Indian agent, appointed pursuant to the seventh article of the treaty of 1846, reported in favor of the claim of the heirs of John W. West in the sum of \$5,000, together with a "moderate rate of interest" thereon.

The department during the last 25 years has made a number of reports on the claim in question. The department, in its report dated December 26, 1911, said that "in view of the history of this claim, the action heretofore had thereon, and the long delay in the prosecution thereof," it would not be justified in recommending the passage of H. R. 6544. The award made by Messrs. Duncan and Tufts, representatives of the Cherokee Nation and the Government, were reconsidered by both Secretaries Teller and Lamar, and in their letters, dated September 16, 1884, and April 26, 1886, respectively, they both declined to take action to disturb the decisions theretofore rendered in favor of the claim. It appears that the House Committee on Indian Affairs, in Report No. 820, Sixty-second Congress, second session, under date of June 1, 1912, recommended that the claim of the heirs of John W. West be paid. A minority report was filed by seven members of the House committee, signed by Chairman Stephens and others, found in Report No. 820, part 2, Sixty-second Congress, second session, recommending against the payment of the claim. The Senate Committee on Indian Affairs, in report dated May 7, 1912, No. 706, Sixty-second Congress, second session, recommended unanimously in favor of the claim, and adopted the majority report of the House Committee on Indian Affairs. The House and Senate reports herein referred to contain a complete history of the claim of the heirs of John W. West, and attention is invited to these reports, with the view of such action being taken on Senate amendment No. 91 as the conferees and the Congress may deem just and proper in the premises.

The SPEAKER. The time of the gentleman has expired.

Mr. RUCKER of Colorado. Mr. Speaker, I would like three minutes more.

Mr. STEPHENS of Texas. I yield to the gentleman three minutes more out of our time.

Mr. RUCKER of Colorado. As I have said, I was sustained by two Secretaries of the Interior, and I have been sustained by three reports made by the Senate, the last one being an exact copy of the report that is now upon your desks. And in addition to that I want to say that there is only one time when this claim has been disapproved, and that was in the Sixty-first Congress. I am sorry that my friend from Oklahoma [Mr. McGUIRE] is not here. The gentleman from Iowa [Mr. KENDALL] ought to bear some testimony upon that. The gentleman from New York, Mr. Young, whom we all know as a distinguished ex-Member, was a member of the subcommittee having charge of the bill, and I would like to call upon any one member of that subcommittee that ever saw that report that was presented by the distinguished gentleman from Brooklyn. He did not prepare the report, and its authorship has at all times been kept a profound secret. Yet it has been repeatedly stated on the floor of this House that that report received careful consideration at the hands of the committee. Some one prepared it and gave it to its alleged author, and in the absence from the city of the other members of the subcommittee it was presented to the full committee and acted upon without any member of the committee knowing the facts. This is the careful consideration of this matter to which repeated reference is made by those who signed the minority report.

Objection is made to this provision on the ground that it is a private claim on an appropriation bill. When understood, this

objection is not sound. This claim arises out of a treaty stipulation and was adjudicated by a tribunal specially created by article 7 of the treaty of 1846, and the treaty provided that the award should be final and should be paid by the Cherokee Nation. This bill to which it has been added as an amendment is "A bill making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes." As the payment of this award is a fulfillment of a treaty stipulation the amendment was a proper amendment to this bill and would not be subject to a point of order under the rules of this House.

The United States was a party to this treaty. It guaranteed fulfillment of the treaty provisions. The commission was appointed pursuant to the terms of the treaty. The award was regularly made. By the terms of the treaty it was a finality. The Government of the United States can not now shirk its responsibility, particularly as two Secretaries of the Interior—the officer of this Government whose duty it is to supervise such matters, and men whose legal ability and fairness all men must concede—examined into the award with care and approved it in all respects. If such an award had been made in favor of a citizen of this country against a foreign government we would have sent our Navy, if necessary, to have enforced payment. Because the award is against an Indian nation or tribe is no reason why the Government of the United States should shirk its responsibility and place itself in the position of repudiating its solemn treaty agreements. The Government of the United States is in honor bound to see that this award is paid.

There has been no negligence on the part of the claimants in prosecuting their claim. They are not in fault. The sole and only reason this claim has not been paid heretofore is that for the past 30 years the Cherokee Nation has had its attorney on an annual salary and expenses here, who has lobbied before Congress and prevented the enactment of legislation providing for the payment of this award. These claimants were unable to maintain an attorney here to prosecute their claim, and in common fairness they should not have been expected to have done so. When the award was made the duty devolved entirely upon the Government of the United States to see to it that it was paid, and it would have been paid long ago had it not been for the presence in this city, session after session of Congress, of the attorney for the Cherokee Nation.

The interest provided for is less than half the amount recommended by the commission. It dates only from the date the award was approved by the Secretary of the Interior and is at the same rate the Government has allowed the Cherokee Nation for its funds on deposit in the Treasury of the United States.

The SPEAKER. The time of the gentleman has again expired.

Mr. STEPHENS of Texas. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. BURKE].

Mr. BURKE of South Dakota. I suggest, inasmuch as the time is about half of what has been yielded by the gentleman from Colorado [Mr. RUCKER], the gentleman from Illinois consume his time.

The SPEAKER. The gentleman from Illinois [Mr. MANN] is recognized for 15 minutes.

Mr. MANN. Mr. Speaker, in the consideration of appropriation bills, which originate in the House, the House is severely handicapped by the procedure which now prevails. We pass an appropriation bill after consideration in Committee of the Whole, where every item is scanned and may be discussed and amended. We send that bill to the Senate, where every item in the House bill is subject to inspection, discussion, and amendment by the Senate. Thereupon the Senate adds such amendments as it chooses, sends them over to the House, where, without any consideration at all, they are usually sent to conference, and generally, without receiving much consideration in conference, owing to the lack of time, some agreed to and some disagreed to—some meritorious ones agreed to, some meritorious ones disagreed to, some without merit disagreed to, and some without merit agreed to—in the form of a compromise. And it seems to have become the habit in the distinguished body at the other end of the Capitol to add a great many amendments to House appropriation bills which are subject to criticism. Gentlemen who have claims or other propositions without much merit and who fear the discussion in the daylight which appears in the House upon the consideration of bills go over to the Senate and urge that amendments may be inserted with the understanding that they can not become a law unless agreed to in conference.

And through that method of persuasion a great many amendments are agreed to in the Senate which would not be agreed to there if they were considered as final, and would not be

agreed to in the House if they were ever considered in the House.

The Indian appropriation bill seems to be the pet place for the Senate to add amendments. We have read in recent months some statements which were reported to emanate from distinguished gentlemen in the other legislative body about how the House was adding legislative provisions to appropriation bills, and yet this Indian appropriation bill now before us is filled with legislative provisions and with claims, none of which ought to be in order under the rules either of the House or of the Senate and which have no proper place in an appropriation bill at all.

In the very limited time which I have, I can not discuss all of the Senate amendments, and can only make a number of references to a few of them. Amendment 33 provides for an appropriation of water for the irrigation of approximately 150,000 acres of land and the maintenance of a public plant, and so forth, in connection with irrigation purposes on the Colorado River. If such a project is to be entered into, it ought to be considered by the House. There were some propositions of the sort before the House, and the House, with the knowledge it had before it, did not incorporate them. That proposition has no proper place in this bill without consideration by the House, which it can not obtain.

Here is another amendment, providing for the purchase of a sawmill and logging equipment—

Mr. STEPHENS of Texas. What is the number of that amendment?

Mr. MANN. No. 57. It is a scheme which ought not to be entered upon without knowledge on the part of the House that it is engaging in that kind of a business enterprise.

I shall not take time to discuss the amendment which has been discussed by the gentleman from Colorado [Mr. RUCKER], the John W. West claim amendment, which is a pure claim, in my judgment, without any merit whatever of its own, and I have examined all of the papers in connection with the matter which I have been able to obtain, and they are quite numerous. But the claim, whether meritorious or not meritorious, has no proper place in an Indian appropriation bill. A bill providing for this claim is on the Private Calendar, where it may be considered. It has no place in an appropriation bill.

Here is an amendment, numbered 105, providing for the construction of a sanitary sewer system for a little park down at Platt, Okla., \$35,000. I do not know; we may be starting in to install sanitary sewer systems in all of the parks and forests of the country. What earthly use is there for a sanitary sewer system, or any other kind of a sewer system, in this little park to be constructed by the General Government?

Mr. BUTLER. Mr. Speaker, will the gentleman tell us what that has to do with Indian affairs—the sewer system that he speaks of?

Mr. MANN. Well, it is down in the old Indian country.

Mr. SIMS. It used to be in the old Indian country.

Mr. BUTLER. Perhaps it is because it is in a place where the Indians used to live.

Mr. MANN. I recall that a year or two ago an item of this kind was offered on the sundry civil appropriation bill, and the gentleman from Oklahoma, most concerned in it, voluntarily allowed it to go out. Now we have it here as an item in the Indian appropriation bill.

Mr. BUTLER. I suppose it is inserted here because it happened to cross an old Indian trail.

Mr. MANN. No; the gentleman is mistaken. The reason why they inserted it here is because they think they have more influence on the conferees.

Here are two items, Nos. 111 and 112. One provides for the payment of \$41,000 to the Indian, Okemah, trustee of the Kickapoo community in Mexico, and the purpose of the amendment is purely and simply to permit the payment of the \$41,000 to an attorney for claimed attorney's fees.

Mr. CARTER. What number is that?

Mr. MANN. That is No. 111. Here is No. 112, which provides for the deposit in the First National Bank of Douglas, Ariz., of all moneys known as lease money now on deposit with or in any manner under the control of the agents and officers of the Interior Department for various Indians, and the receipt by such bank for any such money shall operate as the receipt of the Indian owner and as a complete release of all liability on the part of the officer paying leased money as herein directed; no insinuation, even, that the bank shall turn it over to the Indians, and the purpose is to pay it to the bank in order that the bank may pay it to an attorney. No intention that a cent of it shall ever get into the hands of any Indian; to take the receipt of the bank as the receipt of the Indian and then propose to turn it over to somebody else. The amendment



in its form is scandalous and its intent is fraudulent. [Applause.]

I have not the time to discuss No. 137, proposing a scheme of \$1,800,000 in reference to reclamation and irrigation work in the Yakima Indian Reservation, but if such a plan is to be entered upon it ought to be entered upon after consideration by the House and not merely by a Senate amendment agreed to as a trade in conference. There are a whole lot of other amendments relating to the same proposition which I do not have time to discuss.

I shall not take the time to go over again the proposition that was discussed here the other day on the deficiency bill, to pay a judgment of \$3,305,257.19, which reeks with scandal from the beginning to the point that it now has reached. Probably the scandal has not ceased there.

Mr. STEPHENS of Texas. What is the number of that?

Mr. MANN. Oh, that is the Ute matter. I do not want the gentleman to think that the only amendments that I object to are those that I am speaking about, because I do not have the time to take them all in.

There is another amendment here, No. 117, providing for the payment of a lot of money to various Indians of the Tillamook Tribe, in Oregon, and various other Indian tribes, and, if they are dead, to their heirs.

And the meat in the coconut is this provision of the amendment, that the Secretary of the Interior shall find and investigate what attorney or attorneys, if any, have rendered services for or on behalf of said Indians, and shall fix a reasonable compensation to be paid to said attorney or attorneys for their services in prosecuting the claims of said Indians.

Every old attorney in town who, through some open or secret connection, is able to get some inside or public information concerning some old Indian claim or treaty, thereupon proceeds to render services, or claims to render services. Then he wants to be paid. I received from a gentleman in town this morning a letter in reference to a statement I made the other day that in the Ute Indian matter the main services rendered by the attorneys were lobbying in Congress. This gentleman denied that. I do not know from personal knowledge whether that statement was correct or not, but the Court of Claims, in allowing the compensation, stated that the man's principal services had been lobbying in Congress.

I am opposed, now and at all times, to the payment of these exorbitant, scandalous claims of attorneys for lobbying with committees or with Members of Congress. I think it ought to be stopped and not encouraged. I hope that if this bill goes to conference the House conferees will have the judgment and the nerve to say, "We will not agree to these amendments which have been placed upon this appropriation bill." [Applause.]

Mr. STEPHENS of Texas. I yield to the gentleman from South Dakota [Mr. BURKE] such time as he desires.

Mr. BURKE of South Dakota. How much time has the gentleman from Texas remaining, Mr. Speaker?

The SPEAKER. He has 22 minutes left.

Mr. BURKE of South Dakota. Then, Mr. Speaker, I will ask that I be notified when I have spoken for seven minutes.

I would like to follow up the last statement made by the gentleman from Illinois, in which he said that he hoped that the House conferees would see that certain amendments to this bill are eliminated in conference, by stating that the House will have an opportunity in 22 minutes to express itself on one proposition that is in the bill—that is, a private claim—because a motion will be made to concur in the amendment of the Senate providing for its payment.

I am not going to discuss the merits of this claim, which is the John W. West claim, which was so earnestly and ably discussed by the gentleman from Colorado [Mr. RUCKER]. I simply want to call the attention of the House to the fact that it is a private claim; that it dates back to the year 1843 or 1845; that it was carefully considered by the Committee on Indian Affairs in the last Congress, and a unanimous report made against it; that it was considered by the Committee on Indian Affairs in the present session of Congress and a favorable report made thereon, with seven members of the committee, including the chairman, filing minority views.

The bill is upon the Private Calendar of the House. I presume it will be considered during this Congress. There will then be an opportunity to discuss the merits of the measure. The proposition for us to consider at this time is whether or not the House will concur in such an amendment on an appropriation bill, it being a private claim.

Mr. Speaker, there is much in what the gentleman from Illinois has said relative to provisions that have been incorporated in the Indian appropriation bill—that were put in after the

bill left the House and agreed to in conference. We have one instance where an attorney's fee was paid which amounted to \$750,000. The authority for collecting such a fee was incorporated in an Indian appropriation bill in another legislative body and agreed to in conference.

We discussed on Saturday last the matter of paying a judgment in favor of the Ute Indians, wherein it appeared that an attorney's fee had been paid aggregating, in round numbers, \$211,000. Before the judgment was entered the Indians had \$1,250,000 and were receiving annually \$50,000, being 4 per cent interest on that amount. At the present time the Indians have nothing but a judgment, and that the House refused to appropriate for, but the attorneys have received \$211,000. The Indians have lost their income. The gentleman from Illinois [Mr. MANN] says it reeks of fraud and scandal, and I agree with the gentleman; but I want to say in reference to that matter and others that he may have had in his mind when he made that statement, that the House is responsible, because the House has consented to agree to conference reports containing provisions that made such scandal possible.

I say we have an opportunity at the present moment to disagree to an amendment of the Senate that proposes to pay one of these old, stale, outlawed claims that does not belong on the Indian appropriation bill, and therefore it is not necessary for me to discuss the merits of that measure. Let the conferees go from the House with all of the amendments disagreed to, of which there are 156, and let the conferees determine whether or not they will concur in this or any other amendment. I do not think the House need have any fears about what the attitude of the conferees on the part of the House will be, so far as this amendment is concerned, upon which the gentleman from Colorado will make a motion to concur. I hope his motion will be voted down; that the House will disagree to all of the amendments of the Senate and ask for a conference.

Mr. STEPHENS of Texas. I yield to the gentleman from Oklahoma [Mr. CARTER] five minutes.

Mr. CARTER. Mr. Speaker, I do not think I shall consume more than about one minute. I just want to make this reference to the claim of John W. West. I do not care to go into the merits of this claim any further than to repeat what has been so well said by the gentleman from South Dakota [Mr. BURKE], to wit, that there is already a bill on the calendar providing for the payment of this claim.

There was some dissension about reporting the bill favorably from the Committee on Indian Affairs. The chairman of the committee, together with the gentleman from South Dakota [Mr. BURKE], my colleague [Mr. FERRIS], the gentleman from Minnesota [Mr. MILLER], the gentleman from Kansas [Mr. CAMPBELL], and myself signed a minority report opposing the payment of the claim. In due time it will come before the House and be considered in the proper way, and I do not think it should be passed on an appropriation bill, for it is purely a claim. We have not now sufficient time to go into a detailed discussion of this amendment, and I think the matter should come up in the regular way, when a full discussion of the merits can be had.

Mr. STEPHENS of Texas. I yield three minutes to the gentleman from Minnesota [Mr. MILLER].

Mr. MILLER. Mr. Speaker, just a word in reference to the claim of John W. West, without any time to enter into a thorough discussion of the merits of the case. I wish to call the attention of the membership of the House to one most significant feature of this claim.

It was 69 years ago when this mudhole that they call a salt lick was taken by the Cherokee Nation from Bluford West and Mr. Rogers. Bluford West died 67 years ago. His widow, Nancy West, subsequently married a man named Markham, and as Nancy Markham, in 1873, after repeated efforts with the Cherokee Nation Council, secured \$12,000 for this lick and the improvements thereon. It then came into the mind of some one that a brother of Bluford West, John W. West, had a one-third interest in the claim. There was no writing that showed that he had any interest in this real estate. No pen ever marked a word which said he ever had a right or title to any part of it, and his lips now for almost half a century have been sealed with death. During a period of 25 years, however, that he lived those lips never murmured a word that he had a claim in this salt lick spring. Talk about a claim with whiskers, Mr. Speaker; it has not only whiskers, but the whiskers are gray. It has literally been dug up from the earth, hoary headed and phantom formed. While there is much that can be said in an argument such as the gentleman from Colorado [Mr. RUCKER] has said, with good discretion and earnestness, yet unless we are to grasp at a will-o'-the-wisp, unless we are to take tradition

and superstition as a basis for a claim, demanding something substantial, something consistent before we pay out other people's money, then this must be rejected.

Mr. Speaker, the Committee on Indian Affairs in the last Congress gave this a most thorough and careful investigation.

The SPEAKER. The time of the gentleman from Minnesota has expired.

Mr. STEPHENS of Texas. Mr. Speaker, I yield two minutes more to the gentleman.

Mr. MILLER. Mr. Speaker, after that careful and thorough investigation the committee unanimously agreed that for two reasons the claim should not be paid: First, because it had not been established with any degree of certainty that would justify either the committee in reporting in its favor or this House voting to adopt such a report from the committee; and, second, such a long period of time has elapsed and the claimants were guilty of such laches in any view of the case that they could not be granted relief, could not come to this or to any tribunal hoping to get equity. Not having evidence to establish a legal claim, they can not appeal to equity, because they have not observed one of the fundamental principles of equity. So, Mr. Speaker, in view of these considerations, in addition to the fact that it is a personal claim, in addition to the fact that the House ought to have a right to consider it as a bill by itself, in addition to the fact that it has no place on an appropriation bill, I think the motion ought to be voted down.

Mr. STEPHENS of Texas. Mr. Speaker, I yield the remaining time to the gentleman from Alabama [Mr. UNDERWOOD].

The SPEAKER. The gentleman from Alabama is recognized for 10 minutes. The Chair would state that he made a mistake as to the length of time in stating that the debate would run out at 1 o'clock. It will close at 5 minutes past 1.

Mr. UNDERWOOD. Mr. Speaker, I do not desire to occupy the 10 minutes with reference to this claim, because, as a matter of fact, I do not know the facts in reference to the claim itself, but I do know this: That there is a bill pending before this Congress now for this claim, and if it has merits it can be taken up in the regular way and be considered at a proper time. The bill now pending before the House is a general appropriation bill. I think there has always been in this House a great abuse of the rules of the House in putting legislation upon appropriation bills. There may be an excuse for it sometimes—a justification for it sometimes—when there are matters of great public moment that require immediate attention, and when the only way they can be brought immediately to the attention of both Houses of Congress is to put them upon appropriation bills. But that, in my judgment, can only be justified when they are matters of great public moment, where the constituencies of all men in the House are interested. There is no justification whatsoever for putting on an appropriation bill and thus delaying its passage a private claim, even though that claim be a very just claim and a very meritorious one. In the first place, there is not an opportunity in considering a claim of that kind on an appropriation bill to go into the real merits of the claim. Public business should not be delayed in passing appropriation bills by the discussion of private claims.

Mr. BURKE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. UNDERWOOD. Certainly.

Mr. BURKE of South Dakota. I would like to ask the gentleman if he thinks the House ought to concur in an amendment of the Senate which would not be germane to the bill if it had been offered when the bill was pending in the House?

Mr. UNDERWOOD. I do not; and I certainly do not think so if it is a private claim. If it were some matter of great public moment and the Senate were determined on its suggestion and the House had to yield, it might be different; but I do not think that this House ought to make a precedent of putting any private claim on a general appropriation bill, and for that reason I hope that the House will vote down this claim and reject the Senate amendment, regardless of whether the claim is just or not. It ought not to be considered on this bill, and it ought not to be considered at this time.

I yield back the balance of my time.

Mr. STEPHENS of Texas. Mr. Speaker, I now move to disagree to all of the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Texas moves to disagree to all of the Senate amendments and ask for a conference.

Mr. RUCKER of Colorado. Mr. Speaker, as an amendment, I move that the House concur in amendment No. 91.

Mr. MANN. Mr. Speaker, I suggest to the gentleman from Texas that he ask unanimous consent to disagree to all of the Senate amendments except the one stated by the gentleman

from Colorado, No. 91, and also amendments Nos. 33, 117, 130, and 137, upon which amendments I desire a separate vote.

Mr. STEPHENS of Texas. Very well, Mr. Speaker, I will make that request.

The SPEAKER. The gentleman from Texas asks unanimous consent to disagree to all of the Senate amendments, excepting the one designated by the gentleman from Colorado, numbered 91, and also amendments 33, 117, 130, and 137. Is there objection? There was no objection, and it was so ordered.

The SPEAKER. The gentleman from Colorado moves to concur in amendment No. 91.

The question was taken; and on a division (demanded by Mr. BURKE of South Dakota) there were—ayes 2, noes 61.

So the motion to concur was rejected.

Mr. STEPHENS of Texas. Mr. Speaker, I move that amendment No. 33 be disagreed to.

The SPEAKER. The question is on the motion of the gentleman from Texas to disagree to amendment No. 33.

The question was taken; and on a division (demanded by Mr. MANN) there were—ayes 74, noes 0.

So the motion to disagree was agreed to.

Mr. STEPHENS of Texas. Mr. Speaker, I move to disagree to amendment No. 117.

The question was taken; and on a division (demanded by Mr. MANN) there were—ayes 63, noes 0.

So the motion to disagree was agreed to.

Mr. STEPHENS of Texas. Mr. Speaker, I now move to disagree to amendments numbered 130 and 137.

The SPEAKER. The question is on the motion of the gentleman from Texas to disagree to amendments numbered 130 and 137.

The question was taken; and on a division (demanded by Mr. MANN) there were—ayes 72, noes 0.

So the motion to disagree was agreed to.

Mr. STEPHENS of Texas. Mr. Speaker, I now move that the House ask for a conference.

Mr. RUCKER of Colorado. Mr. Speaker, a parliamentary inquiry, and preliminary to that allow me to state that upon the Committee on Indian Affairs the seniority membership contains gentlemen who are opposed to the bill that I am in favor of. This is especially true of the gentleman from Oklahoma [Mr. CARTER] who is a member of that committee and second, I think, in seniority, and who ought not to be upon the committee on conference. He is a Cherokee Indian himself, and I do not believe that he ought to be allowed to sit on that committee.

Mr. CARTER. Mr. Speaker, if the gentleman will permit me for just a moment—

The SPEAKER. Of course all of this is by unanimous consent.

Mr. CARTER. I think I can satisfy the minds of the House very quickly upon that point. I have three-eighths Cherokee blood, but I have no more interest in the estate of the Cherokee Nation than the gentleman from Colorado [Mr. RUCKER]. [Applause.]

Mr. RUCKER of Colorado. Blood is thicker than water.

Mr. CARTER. I have an interest in the estate of the Chickasaw Tribe of Indians, and even if this matter concerned the Chickasaw Indians' funds I doubt if the gentleman's objection would be good; but I have no interest whatever in the Cherokee funds.

Mr. MANN. Would the gentleman's three-eighths Indian blood have more interest than the five-eighths of white blood would have on the other side, in any event?

So the motion of the gentleman from Texas [Mr. STEPHENS] was agreed to.

The SPEAKER announced the following conferees:

Mr. STEPHENS of Texas, Mr. CARTER, and Mr. BURKE of South Dakota.

#### LEAVE OF ABSENCE.

By unanimous consent, Mr. AYRES was granted leave of absence for two days, on account of illness in his family.

#### AMERICAN REFUGEES FROM MEXICO.

Mr. SLAYDEN. Mr. Speaker, I ask unanimous consent to discharge the Committee on Military Affairs from the further consideration of Senate joint resolution 127. This is a resolution which came over from the Senate yesterday afternoon and was referred to the Committee on Military Affairs, where it has been amended and restricted in its operation.

The SPEAKER. The gentleman from Texas asks unanimous consent to discharge the Committee on Military Affairs from the further consideration of the resolution named and to take it up for consideration.



Mr. UNDERWOOD. Mr. Speaker, reserving the right to object, I wish to say this: I understand this is an emergency resolution which requires immediate action, and if it is not going to delay the House at this time I have no objection to unanimous consent. If it brings on general debate—

Mr. SLAYDEN. I assure the gentleman it is not the purpose of the proponents of the measure to have any debate. The House, I think, perfectly understands what the resolution is.

The SPEAKER. Of course, the Chair recognized the gentleman to make the motion with the understanding it is a matter of necessity or emergency. Is there objection?

Mr. MANN. Mr. Speaker, I would like to know what the proposition is.

Mr. SLAYDEN. Mr. Speaker, the resolution authorizes the expenditure, under the general direction of the Secretary of War, of so much of \$20,000—

Mr. MANN. Can not we have it reported?

Mr. SLAYDEN. There is a report which explains the whole matter, going into it very fully, if the Clerk will read it.

The SPEAKER. The Clerk will read the resolution.

The Clerk read as follows:

*Resolved, etc.,* That the Secretary of War be, and he hereby is, authorized and directed to cause to be supplied, through the proper military officers at El Paso, Tex., all necessary tents, together with temporary rations, for the care and relief of American citizens who have been compelled to remove and are yet removing from threatened danger in the Republic of Mexico and who are seeking refuge in El Paso, Tex., and adjacent portions of the United States.

Mr. SLAYDEN. I am authorized by the committee to offer the following amendments.

The Clerk read as follows:

After the word "authorize," in line 3 of the resolution, insert the following: "To expend not to exceed the sum of \$20,000, out of any unexpended balance of the money appropriated for the Mississippi flood sufferers, May 9, 1912."

In line 5 strike out the word "all"; in line 7, after the word "who," insert the following: "have no other means of obtaining shelter and food."

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The amendments were agreed to.

The joint resolution as amended was read the third time and passed.

#### MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the amendments to the House of Representatives to joint resolution (S. J. Res. 127) authorizing the Secretary of War to supply tents and rations to American citizens compelled to leave Mexico.

The message also announced that the Senate had insisted upon its amendments to bill (H. R. 20728) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1913, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. GAMBLE, Mr. CLAPP, and Mr. CHAMBERLAIN as the conferees on the part of the Senate.

#### WOOL AND MANUFACTURES OF WOOL.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 22195, a bill revising the rates on the woolen schedule, and pending that I ask unanimous consent that the bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman from Alabama moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 22195, to consider the Senate amendment, and pending that I ask unanimous consent that the bill be considered in the House as in Committee of the Whole House on the state of the Union. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

An act (H. R. 22195) to reduce the duties on wool and manufactures of wool.

*Be it enacted, etc.,* That on and after the 1st day of January, 1913, the articles hereinafter enumerated, described, and provided for shall, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands and the islands of Guam and Tutuila), be subjected to the duties hereinafter provided, and no others; that is to say:

1. On wool of the sheep, hair of the camel, goat, alpaca, and other like animals, and on all wools and hair on the skin of such animals, the duty shall be 20 per cent ad valorem.

2. On all nolls, top waste, card waste, slubbing waste, roving waste, ring waste, yarn waste, bur waste, thread waste, garnetted waste, shoddies, mungo, flocks, wool extract, carbonized wool, carbonized nolls,

and on all other wastes and on rags composed wholly or in part of wool, and not specially provided for in this act, the duty shall be 20 per cent ad valorem.

3. On combed wool or tops and roving or roping, made wholly or in part of wool or camel's hair, and on other wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this act, the duty shall be 25 per cent ad valorem.

4. On yarns made wholly or in part of wool, the duty shall be 30 per cent ad valorem.

5. On cloths, knit fabrics, felts not woven, and all manufactures of every description made, by any process, wholly or in part of wool, not specially provided for in this act, the duty shall be 40 per cent ad valorem.

6. On blankets and flannels, composed wholly or in part of wool, the duty shall be 30 per cent ad valorem: *Provided*, That on flannels composed wholly or in part of wool, valued at above 50 cents per pound, the duty shall be 45 per cent ad valorem.

7. On women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description and character, composed wholly or in part of wool, and not specially provided for in this act, the duty shall be 45 per cent ad valorem.

8. On clothing, ready-made, and articles of wearing apparel of every description, including shawls whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, and not specially provided for in this act, composed wholly or in part of wool, the duty shall be 45 per cent ad valorem.

9. On webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, on any of the foregoing made of wool or of which wool is a component material, whether containing india rubber or not, the duty shall be 35 per cent ad valorem.

10. On Aubusson, Axminster, moquette, and chenille carpets, figured or plain, and all carpets or carpeting of like character or description, the duty shall be 40 per cent ad valorem.

11. On Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, the duty shall be 35 per cent ad valorem.

12. On Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, the duty shall be 30 per cent ad valorem.

13. On velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description, the duty shall be 35 per cent ad valorem.

14. On tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, the duty shall be 30 per cent ad valorem.

15. On treble ingrain, three ply, and all chain Venetian carpets, the duty shall be 30 per cent ad valorem.

16. On wool Dutch and two-ply ingrain carpets the duty shall be 25 per cent ad valorem.

17. On carpets of every description, woven whole for rooms, and Oriental, Berlin, Aubusson, Axminster, and similar rugs, the duty shall be 50 per cent ad valorem.

18. On druggets and hockings, printed, colored, or otherwise, the duty shall be 25 per cent ad valorem.

19. On carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not specially provided for in this act, and on mats, matting, and rugs of cotton, the duty shall be 25 per cent ad valorem.

20. Mats, rugs for floors, screens, covers, hassocks, bed sides, art squares, and other portions of carpets or carpeting, made wholly or in part of wool, and not specially provided for in this act, shall be subject to the rate of duty herein imposed on carpets or carpeting of like character or description.

21. Whenever in this act the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other like animals, whether manufactured by the woolen, worsted, felt, or any other process.

SEC. 2. That on and after the day when this act shall go into effect all goods, wares, and merchandise previously imported, and hereinbefore enumerated, described, and provided for, for which no entry has been made, and all such goods, wares, and merchandise previously entered without payment of duty and under bond for warehousing, transportation, or any other purpose, for which no permit of delivery to the importer or his agent has been issued, shall be subjected to the duties imposed by this act and no other duty upon the entry or the withdrawal thereof.

SEC. 3. That all acts and parts of acts in conflict with the provisions of this act be, and the same are hereby, repealed. This act shall take effect and be in force on and after the 1st day of January, 1913.

The Senate amendment was read as follows:

An act (H. R. 22195) to reduce the duties on wool and manufactures of wool.

*Be it enacted, etc.,* That the act approved August 5, 1909, entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," is hereby amended by striking out all of Schedule K thereof, being paragraphs 360 to 395, inclusive, and inserting in lieu thereof the following:

#### SCHEDULE K. WOOL AND MANUFACTURES THEREOF.

360. All wool, hair of the camel, goat, alpaca, and other like animals, shall be divided, for the purposes of this act, into the two following classes:

361. Class 1, that is to say, merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lamb's wool, Castel Branco, Adrianople skin wool, or butcher's wool, and such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood and usually known by the terms herein used, and all wools not hereinafter included in class 2.

362. Class 2, that is to say, Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and all such wools of like character

as have been heretofore usually imported into the United States from Turkey, Greece, Syria, and elsewhere, excepting improved wools herein after provided for; the hair of the camel, Angora goat, alpaca, and other like animals.

363. The standard samples of all wools which are now or may be hereafter deposited in the principal customhouses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they shall be needed.

364. Whenever wools of class 2 shall have been improved by the admixture of merino or English blood, from their present character as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

365. The duty on wool of the first class shall be 35 per cent ad valorem.

366. The duty upon wools of class 2 shall be 10 per cent ad valorem.

367. The duty on wools on the skin shall be as follows: Class 1, 30 per cent ad valorem; class 2, 10 per cent ad valorem; the quantity and value of the wool to be ascertained under such rules as the Secretary of the Treasury may prescribe.

368. Top waste, slubbing waste, roving waste, ring waste, and garnetted waste, 30 per cent ad valorem.

369. Shoddy, noils, wool extract, yarn waste, thread waste, and all other wastes composed wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, 25 per cent ad valorem.

370. Woolen rags, mungo, and flocks, 25 per cent ad valorem.

371. Combed wool or tops, and all wools which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this section, 40 per cent ad valorem.

372. On yarns made wholly of wool or of which wool is the component material of chief value, the duty shall be 45 per cent ad valorem.

373. On cloths, knit fabrics, blankets, and flannels for underwear composed wholly of wool or of which wool is the component material of chief value, women's and children's dress goods, coat linings, Italian cloths, bunting, clothing ready made, and articles of wearing apparel of every description, including shawls, whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, felts not woven, and not specially provided for in this section, webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is the component material of chief value, whether containing India rubber or not, 55 per cent ad valorem.

374. Aubusson, Axminster, moquette, and chenille carpets, figured or plain, and all carpets or carpeting of like character or description; Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description; Brussels carpets, figured or plain, and all carpets or carpetings of like character or description; velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description; tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise; treble ingrain, three-ply, and all chain Venetian carpets; wool Dutch and two-ply ingrain carpets; carpets of every description, woven whole for rooms; oriental, Berlin, Aubusson, Axminster, and similar rugs, druggets and bookings, printed, colored, or otherwise; all the foregoing, made of wool, or of which wool is the component material of chief value, 35 per cent ad valorem.

375. Carpets and carpeting of wool or of which wool is the component material of chief value, not specially provided for in this section, 35 per cent ad valorem.

376. Mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and other portions of carpets or carpeting made wholly of wool or of which wool is the component material of chief value, and not specially provided for in this section, shall be subjected to the rate of duty herein imposed on carpets or carpetings of like character or description.

377. Whenever, in any schedule of this act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca, or other animal, whether manufactured by a woolen, worsted, felt, or any other process.

378. All manufactures of hair of the camel, goat, alpaca, or other like animal, or of which any of the hair mentioned in paragraph 363 form the component material of chief value, shall be subject to a duty of 30 per cent ad valorem.

Sec. 2. That on and after the day when this act shall go into effect all goods, wares, and merchandise previously imported, and hereinbefore enumerated, described, and provided for, for which no entry has been made, and all such goods, wares, and merchandise previously entered without payment of duty and under bond for warehousing, transportation, or any other purpose, for which no permit of delivery to the importer or his agent has been issued, shall be subjected to the duties imposed by this act and no other duty, upon the entry or the withdrawal thereof.

Sec. 3. That all acts and parts of acts in conflict with the provisions of this act be, and the same are hereby, repealed. This act shall take effect and be in force on and after the 1st day of January, 1913.

Mr. UNDERWOOD. I suppose the five minutes on a side will be satisfactory to the gentleman.

Mr. PAYNE. I think we had better have a little more time than that.

Mr. UNDERWOOD. If the gentleman wants to reach an agreement about time I am willing to make an agreement, or if he wants a little further extension under the five-minute rule I am willing to agree to it.

Mr. PAYNE. How much time does the gentleman propose to take altogether?

Mr. UNDERWOOD. I do not care to make a general speech, and under the rule speeches are limited to five minutes, but I do not care to hold the gentleman down to that. I would like to dispose of the question, as we have three propositions that we wish to send back to the Senate.

Mr. PAYNE. Suppose we let it run a little while under the five-minute rule. I will not want to talk over 10 minutes, but I want to suggest that perhaps I had better make my motion now, as I wish to make a motion to concur with an amendment.

Mr. UNDERWOOD. Just one moment, the gentleman's motion has precedence. Mr. Speaker, there is but one Senate amendment to the bill, and I move to disagree to the Senate amendment.

The SPEAKER. The gentleman from Alabama moves to disagree to the Senate amendment.

Mr. PAYNE. Now, Mr. Speaker, I move to concur, with an amendment to strike out all after the enacting clause and insert the following:

That the act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909, be, and the same is hereby, amended by striking out all of the paragraphs of Schedule K of section 1 of said act, from 360 to 395, inclusive of both, and inserting in place thereof the following:

1. All wools, hair of the camel, goat, alpaca, and other like animals shall be divided, for the purpose of fixing the duties to be charged thereon, into the two following classes:

2. Class 1, that is to say, merino, mestiza, meliz or metis wools, or other wools of merino blood, immediate or remote. Down clothing wools, and wools of like character with any of the preceding, including Bagdad wool, China lamb's wool, Castel Branco, Adrianople skin wool or butcher's wool, and such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, and Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools or other like combing wools of English blood, and usually known by the terms herein used, and all wools not hereinafter included in class 2, and also the hair of the camel, Angora goat, alpaca, and other like animals.

3. Class 2, that is to say, Donskol, native South American, Cordova, Valparaiso, native Smyrna, Russian camel's hair, and all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Syria, and elsewhere, excepting improved wools hereinafter provided for.

4. The standard samples of all wools, which are now or may be hereafter deposited in the principal customhouses of the United States, under the authority of the Secretary of the Treasury, shall be the standards for the classification of wools under this act, and the Secretary of the Treasury is authorized to renew these standards and to make such additions to them from time to time as may be required, and he shall cause to be deposited like standards in other customhouses of the United States when they may be needed.

5. Whenever wools of class 2 shall have been improved by the admixture of merino or English blood, from their present character, as represented by the standard samples now or hereafter to be deposited in the principal customhouses of the United States, such improved wools shall be classified for duty as class 1.

6. If any bale or package of wool or hair specified in this act, invoiced or entered as of class 2, or claimed by the importer to be dutiable as of class 2, shall contain any wool or hair subject to the rate of duty of class 1, the whole bale or package shall be subject to the rate of duty chargeable on wool of class 1; and if any bale or package be claimed by the importer to be shoddy, mungo, flocks, wool, hair, or other material of any class specified in this act, and such bale contain any admixture of any one or more of said materials, or of any other material, the whole bale or package shall be subject to duty at the highest rate imposed upon any article in said bale or package.

7. The duty on all wools and hair of class 1, if imported in the grease, shall be laid upon the basis of its clean content. The clean content shall be determined by scouring tests which shall be made according to regulations which the Secretary of the Treasury may prescribe. The duty on all wools and hair of class 1 imported in the grease shall be 18 cents per pound on the clean content, as defined above. If imported scoured, the duty shall be 19 cents per pound.

8. The duty on all wools of class 2, including camel's hair of class two, imported in their natural condition, shall be 7 cents per pound. If scoured, 19 cents per pound: *Provided*, That on consumption of wools of class 2, including camel's hair, in the manufacture of carpets, druggets and bookings, printed, colored, or otherwise, mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and portions of carpets or carpeting hereafter manufactured or produced in the United States in whole or in part from wools of class 2, including camel's hair, upon which duties have been paid, there shall be allowed to the manufacturer or producer of such articles a drawback equal in amount to the duties paid less 1 per cent of such duties on the amount of the wools of class 2, including camel's hair of class 2, contained therein; such drawback shall be paid under such rules and regulations as the Secretary of the Treasury may prescribe.

9. The duty on wools on the skin shall be 2 cents less per pound than is imposed upon the clean content as provided for wools of class 1, and 1 cent less per pound than is imposed upon wools of class 2 imported in their natural condition, the quantity to be ascertained under such rules as the Secretary of the Treasury may prescribe.

10. Top waste and slubbing waste, 18 cents per pound.

11. Roving waste and ring waste, 14 cents per pound.

12. Noils, carbonized, 14 cents per pound.

13. Noils, not carbonized, 11 cents per pound.

14. Garnetted waste, 11 cents per pound.

15. Thread waste, yarn waste, and wool wastes not specified, 9½ cents per pound.

16. Shoddy, mungo, and wool extract, 8 cents per pound.

17. Woolen rags and flocks, 2 cents per pound.

18. Combed wool or tops, made wholly or in part of wool, or camel's hair, 20 cents per pound on the wool contained therein, and in addition thereto 5 per cent ad valorem.



19. Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, but less advanced than yarn, not specially provided for in this section, 20 cents per pound on the wool contained therein, and in addition thereto 8 per cent ad valorem.

20. On yarns, made wholly or in part of wool, valued at not more than 30 cents per pound, the duty shall be 21½ cents per pound on the wool contained therein, and in addition thereto 10 per cent ad valorem. Valued at more than 30 cents and not more than 50 cents per pound, 21½ cents per pound on the wool contained therein, and in addition thereto 15 per cent ad valorem.

Valued at more than 50 cents and not more than 80 cents per pound, 21½ cents per pound on the wool contained therein, and in addition thereto 20 per cent ad valorem.

Valued at more than 80 cents per pound, 21½ cents per pound on the wool contained therein, and in addition thereto 25 per cent ad valorem.

21. On cloths, knit fabrics, flannels, felts, and all fabrics of every description made wholly or in part of wool, not specially provided for in this section, valued at not more than 40 cents per pound, the duty shall be 25 cents per pound on the wool contained therein, and in addition thereto 30 per cent ad valorem.

Valued at more than 40 cents and not more than 60 cents per pound, 26 cents per pound on the wool contained therein, and in addition thereto 35 per cent ad valorem.

Valued at more than 60 cents and not more than 80 cents per pound, 26 cents per pound on the wool contained therein, and in addition thereto 40 per cent ad valorem.

Valued at more than 80 cents and not more than \$1 per pound, 26 cents per pound on the wool contained therein, and in addition thereto 45 per cent ad valorem.

Valued at more than \$1 and not more than \$1.50 per pound, 26 cents per pound on the wool contained therein, and in addition thereto 50 per cent ad valorem.

Valued at more than \$1.50 per pound, 26 cents per pound on the wool contained therein, and in addition thereto 55 per cent ad valorem.

22. On blankets and flannels for underwear composed wholly or in part of wool, valued at not more than 40 cents per pound, the duty shall be 23½ cents per pound on the wool contained therein, and in addition thereto 20 per cent ad valorem.

Valued at more than 40 cents and not more than 50 cents per pound, 23½ cents per pound on the wool contained therein, and in addition thereto 25 per cent ad valorem.

Valued at more than 50 cents per pound, 23½ cents per pound on the wool contained therein, and in addition thereto 30 per cent ad valorem.

*Provided*, That on blankets over 3 yards in length the same duties shall be paid as on cloths.

23. On ready-made clothing and articles of wearing apparel, knitted or woven, of every description, made up or manufactured wholly or in part and composed wholly or in part of wool, the rate of duty shall be as follows:

If valued at not more than 40 cents per pound, the duty shall be 25 cents per pound on the wool contained therein, and in addition thereto 35 per cent ad valorem.

If valued at more than 40 cents and not more than 60 cents per pound, 26 cents per pound on the wool contained therein, and in addition thereto 40 per cent ad valorem.

If valued at more than 60 cents and not more than 80 cents per pound, 26 cents per pound on the wool contained therein, and in addition thereto 45 per cent ad valorem.

If valued at more than 80 cents and not more than \$1 per pound, 26 cents per pound on the wool contained therein, and in addition thereto 50 per cent ad valorem.

If valued at more than \$1 and not more than \$1.50 per pound, 26 cents per pound on the wool contained therein, and in addition thereto 55 per cent ad valorem.

If valued at more than \$1.50 per pound, 26 cents per pound on the wool contained therein, and in addition thereto 60 per cent ad valorem.

24. On all manufactures of every description made wholly or in part of wool, not specially provided for in this section, the duty shall be 26 cents per pound on the wool contained therein, and in addition thereto 50 per cent ad valorem: *Provided*, That if the component material of chief value in such manufactures is wood, paper, rubber, or any of the baser metals, the duty shall be 26 cents per pound on the wool contained therein, and in addition thereto 35 per cent ad valorem, and if the component material of chief value in such manufactures is silk, fur, precious or semiprecious stones, or gold, silver, or platinum, the duty shall be 26 cents per pound on the wool contained therein, and in addition thereto 55 per cent ad valorem.

25. On hand-made Aubusson, Axminster, Oriental, and similar carpets and rugs, made wholly or in part of wool, the rate of duty shall be 50 per cent ad valorem: on all other carpets of every description, druggets and bookings, printed, colored, or otherwise, mats, rugs for floors, screens, covers, hassocks, bed-sides, art squares, and portions of carpets or carpeting, made wholly or in part of wool, the duty shall be 30 per cent ad valorem.

26. Whenever, in any schedule of this act, the word "wool" is used in connection with a manufactured article of which it is a component material, it shall be held to include wool or hair of the sheep, camel, goat, alpaca or other animal, whether manufactured by the woolen, worsted, felt, or any other process.

27. The foregoing paragraphs, providing the rates of duty herein for manufactures of wool, shall take effect on the 1st day of January, 1913.

The SPEAKER. The gentleman from New York moves to concur by striking out all after the enacting clause and inserting an amendment.

Mr. PAYNE. I will state I do not care to have this read unless some gentleman desires it. It is the same amendment I offered to the original bill in the House when the bill was before the House on a previous occasion.

Mr. UNDERWOOD. It was read in the House and the House understands it.

Mr. PAYNE. It was read in the House and offered by the minority of the committee and voted for by the minority membership of the House, but of course if any gentleman desires to have it read—

Mr. MONDELL. I would be glad if the gentleman would ask unanimous consent to dispense with the reading of it.

Mr. PAYNE. Mr. Speaker, I ask unanimous consent to dispense with the reading of this amendment.

The SPEAKER. The gentleman from New York asks unanimous consent to dispense with the reading of this amendment.

Mr. MANN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MANN. Is it not necessary, before we proceed further, that the Senate amendment be read or disposed of?

Mr. UNDERWOOD. Mr. Speaker, I suppose the vote will come on the Senate amendment, and I ask unanimous consent, as the bill is printed and before the House, to dispense with the reading of both the Senate amendment and the amendment offered by the gentleman from New York [Mr. PAYNE].

The SPEAKER. Is there objection?

Mr. ANDERSON of Minnesota. Reserving the right to object, I would like to ask if the bills will appear in the Record if they are not read?

Mr. UNDERWOOD. Oh, yes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. CRUMPACKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRUMPACKER. The question is, When will a motion to agree to the Senate amendment be in order? The gentleman from New York has moved to agree to the Senate amendment with an amendment. I understand that would have priority over a straight motion to agree to the Senate amendment. The gentleman from Alabama [Mr. UNDERWOOD] moves a disagreement, and I understand that a motion to concur or agree to the Senate amendment would have priority over the motion of the gentleman from Alabama. I want to know whether I am right or not.

The SPEAKER. I think the gentleman is entirely correct.

Mr. CRUMPACKER. So that the motion of the gentleman from New York [Mr. PAYNE] would be first in order, and, if his motion should be voted down, then a motion to agree to the Senate amendment would be in order?

The SPEAKER. It would.

Mr. CRUMPACKER. I want to make that motion at the proper time.

Mr. GARDNER of Massachusetts. Mr. Speaker, I suggest to the gentleman from Indiana [Mr. CRUMPACKER] that the negative of the motion to disagree carries concurrence. If I recollect the rule rightly, there is only one motion in order, except the motion to concur with an amendment. That is the motion to disagree or the motion to concur, but the negating of the motion to disagree carries concurrence. That is my recollection.

The SPEAKER. There is not any doubt but that is a correct statement of the rule.

Mr. CRUMPACKER. The motion to concur with an amendment is divisible, is it not?

The SPEAKER. The Chair thinks so. The Chair will state his understanding of the situation. The gentleman from Indiana [Mr. CRUMPACKER] can make his motion to concur or let it alone, as he chooses. He can make it now or after the motion of the gentleman from New York [Mr. PAYNE] is voted down. Of course, if the gentleman from New York is voted up, that ends the matter. The Chair is taking it for granted that the motion will be voted down.

Mr. PAYNE. Mr. Speaker, I make a point of order that the Speaker should not express an opinion on anything of that kind. [Laughter.]

The SPEAKER. The Chair was not expressing an opinion. The Chair was trying to get the parliamentary situation simplified. The proposition laid down by the gentleman from Massachusetts [Mr. GARDNER] is correct, that if the motion of the gentleman from Alabama [Mr. UNDERWOOD] to disagree is voted down, that is equivalent to a concurrence, and there is no necessity of putting the motion to concur. If the gentleman from Indiana, however, makes a motion to concur, although it would be superfluous, the Chair does not see how it can do any harm. But if all three of these motions are pending at once, then the order in which they would come would be, first, on the motion of the gentleman from New York [Mr. PAYNE]; second, on the motion of the gentleman from Indiana [Mr. CRUMPACKER]; and then on the motion of the gentleman from Alabama to disagree.

Mr. CRUMPACKER. Then, I desire to move that the House agree to the Senate amendment to the pending bill.

The SPEAKER. If the gentleman offers his motion and the House votes it down, that carries with it the motion of the gentleman from Alabama [Mr. UNDERWOOD].

The gentleman from Alabama [Mr. UNDERWOOD] is recognized.

Mr. UNDERWOOD. Mr. Speaker, I will not detain the House at this time in discussing this proposition. The wool bill has been fully discussed not only at this session of Congress, but at the last session of Congress. The Senate amendment is the

amendment that was adopted by the Senate at the last session of Congress, known as the La Follette bill, which the House disagreed to at the last session of Congress and finally sent to conference, out of which grew a compromise bill. I think the Members of the House are fully advised as to the difference between the Senate amendment and the House bill, and without there is some occasion later on in the debate I will not take up the time of the House in discussing the two bills at the present time. I understand the debate is under the five-minute rule.

Mr. PAYNE. Mr. Speaker, this original wool bill, brought in by the Committee on Ways and Means, came here first with the only excuse for its existence that we needed a revenue duty of about 20 per cent on wool in order to rescue and save a depleted and depleting Treasury.

The next month showed that the depleted Treasury had a surplus of over \$47,000,000 to its credit for the year 1911, derived from the present revenue laws. A year has passed since then, and the report of the 30th of June showed a surplus in the Treasury for that year of over \$37,000,000 receipts over the expenditures. A month has nearly passed in the present fiscal year, and the Treasury reports show that the Treasury is nearly \$14,000,000 better off for this month up to date than it was after a month a year ago. So there can be no excuse for any gentleman who is talking free trade in wool to his constituents to vote for this present House bill in any way or shape. That argument is entirely removed from the controversy by the light of the Treasury statistics and the splendid showing of the present revenue law in relation to raising revenue.

We have as a Senate amendment the same one that came here about a year ago. Of course, every Member of the House knows the authorship of that amendment. At the time the bill was in conference a year ago the author of the amendment confessed that he was working with blacksmith tools, so to speak, or, in other words, that he had not sufficient information with which to form a tariff bill. However, a compromise bill was agreed upon without the information and went to the Executive, who sent it back with his veto, and the bill and the veto are now in the House files without any action. This bill was introduced, as I say, nearly a year afterwards, passed the House, and went over to the Senate, and comes back with the same Senate amendment. The President vetoed the bill because the Tariff Board was gathering information and would soon be ready to report. They have reported. They have made a full report. They have made a report that has met the commendation of experts on the tariff question the world over—not confined to this country alone, but praised in other countries as the most thorough and complete investigation and report ever made anywhere in any country in the world on the wool question, and better than all the information previously gathered upon this subject. When that report came in I was in hopes that my friend from Alabama [Mr. UNDERWOOD] would study it, but he seems to have delegated that matter to some other gentlemen, who made a report which misled him, I am sorry to say, or he never would have indorsed it.

Mr. UNDERWOOD. I wish to interrupt my friend from New York [Mr. PAYNE] on that proposition. Every time he comes into this House he makes that statement. The gentleman from New York knows that his statement is untrue. "The gentleman from Alabama" did study this report and did study the bill. The gentleman from New York knows that that is so. It is not important, however, because I think the gentleman makes the statement in a facetious way, but I do not want it to remain in the Record uncontradicted.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PAYNE. Mr. Speaker, I would like to have five minutes more.

The SPEAKER. The gentleman from New York [Mr. PAYNE] asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. PAYNE. The gentleman who, I said, made the investigation and report has confessed it. I do not need to prove it. That is the evidence that I offer in regard to it. Where a man confesses to such a thing as that—not quite a crime, but much like a misdemeanor—why, I think that the evidence binds even the gentleman from Alabama. Of course, I have no objection to his offering a general denial, but I hope he will not insist that that report was his report, because I shall be led, very much to my sorrow, to think the contrary.

Mr. UNDERWOOD. I will say to the gentleman that he is stating what is untrue when he tries to imply to this House that either I or my committee did not report that bill. We hired experts. I know what the gentleman wants to say. He wants to say that we hired Mr. Parsons and that we hired

Prof. Willis and that we hired other employees to aid us doing the mechanical work. We did, but all their work was submitted to the committee, and the committee went over the reports. I went over the reports, and we were responsible for them, and they were our reports just as much as the reports that the gentleman from New York made on his bill were his reports, although he did not write them himself.

Mr. PAYNE. Now, Mr. Speaker, I must still be permitted—because I am careful of the honor and credit of my friend from Alabama and of his intellectual ability, and so forth—to say that I think he is mistaken in this matter and that the man who confesses to have done this thing is really the guilty party.

Let me add, Mr. Speaker, that the minority of the committee did study that tariff report and did study the facts presented by the Tariff Board; and, after much deliberation and, I will say to the gentleman from Alabama, with the aid of experts who figured under the direction of the gentlemen who were engaged in preparing that bill, the gentleman from Connecticut [Mr. HILL], particularly, spending much time in verifying their figures from day to day, we prepared a bill which we presented to this House and which we present again.

I would like to see it become a law. I think if it should be in operation for a couple of years even the gentleman from Alabama [Mr. UNDERWOOD] would not try to disturb it, but would allow it to remain upon the statute book. "It would not injure our business," to repeat the favorite expression of the gentleman from Alabama. It would not destroy any industry. It would allow the wheels of progress to go on, and at the same time it would take away every excessive duty in the present wool schedule. It is an ideal bill in that respect. It ought to receive the vote of every Member on both sides of the House.

Now, Mr. Speaker, one word more. I have a telegram here from a constituent. He is a manufacturer of woolen goods. He is not a bloated aristocrat. He is not a malefactor of great wealth. He is a common, everyday American citizen, who understands his business and who was educated in it and knows what hard work is. He says:

The La Follette bill will close or seriously injure every woolen mill in your district.

It is signed "A. M. Patterson." I commend that to the attention of gentlemen upon this side and upon the other side of the House.

But, Mr. Speaker, I have spoken at some length upon the woolen schedule in times past, and I do not now propose to inflict myself further upon the House. I understand the gentleman from Massachusetts [Mr. MCCALL] needs a little time, and I think also the gentleman from Connecticut [Mr. HILL]. I do not know what other gentlemen want to use time, but I commend them to the mercies of the House. [Applause on the Republican side.]

The SPEAKER. The time of the gentleman has expired.

Mr. LENROOT. Mr. Speaker, I shall vote against the motion of the gentleman from New York [Mr. PAYNE] to concur with an amendment, and for the motion of the gentleman from Indiana [Mr. CRUMPACKER] to concur, and I shall do that for two reasons, the first being that the Senate bill now before the House is sustained by the report of the Tariff Board, and, when fully analyzed, is not very different from the bill reported by the gentleman from New York [Mr. PAYNE] for the Committee on Ways and Means.

The gentleman from New York has briefly discussed this Senate bill, and has stated that in conference the author of that bill said that it was prepared with blacksmith's tools. Mr. Speaker, when one examines the report of the Tariff Board and examines this wool bill, prepared before that report was made, and finds how nearly they agree, he is compelled to conclude that that author of the bill did a mighty good job with his blacksmith's tools. [Applause.] And one is led further to wish, Mr. Speaker, that when the Committee on Ways and Means of the House and the Finance Committee of the Senate prepared the Payne-Aldrich bill they might have had some blacksmith's tools of this character. [Applause on the Democratic side.] One is compelled further to wonder, Mr. Speaker, what kind of tools they did have in the work that they did there.

Now, Mr. Speaker, I further am opposed to sending this bill to conference and I am opposed to sending it back to the Senate, because if you gentlemen of the Democratic majority want real revision, and want to send a bill to the President with the assurance that he must sign it, because it is in accordance with the Tariff Board, you ought to vote to concur in this amendment now. This country is demanding some action in the way of tariff revision, and is insisting that neither side play politics with reference to this great question. [Applause.]



Mr. HARRISON of New York. Mr. Speaker, I am in favor of disagreeing to the Senate amendment. A year ago, under instructions from my committee, I was one of the conferees who voted for the compromise bill with the Senate, but during the year that has passed the conditions have materially changed.

During this interval the three great political parties have made their nominations for the Presidency, and it seems perfectly clear to us, and I believe it is clear to you gentlemen on the other side, that on the 4th of March next a Democratic President will be inaugurated. [Applause on the Democratic side.] Now, if I am right in that forecast, I am in favor of waiting until we get a Democratic administration and can pass Democratic tariff bills. [Applause on the Democratic side.] I am in favor of passing the Underwood bill, and am not in favor of passing the La Follette bill. The La Follette bill has been under discussion both in the Senate and in the House many times, and it is unnecessary for me now to detain this House with a more lengthy discussion of its features.

Mr. LENROOT. Will the gentleman yield?

Mr. HARRISON of New York. With pleasure.

Mr. LENROOT. Can not the gentleman afford some relief to the people by passing this bill now, and then, if his prediction is true, pass a Democratic bill later?

Mr. HARRISON of New York. If we pass a revision of the woolen schedule now, the business community of the country will be entitled to some relief from further agitation on that specific schedule, and rather than imperil a genuine Democratic revision of the woolen schedule, I am willing to postpone for six months the possibility of securing the relief that the people demand.

Mr. LENROOT. One more question.

Mr. HARRISON of New York. With pleasure.

Mr. LENROOT. Does the gentleman think the business interests will not be agitated in the meantime?

Mr. HARRISON of New York. I think that one revision of one tariff schedule in six months is enough, and I am in favor of waiting those six months to get some genuine relief. This Democratic Congress was sent here by the consumers of the country and not by the producers. Your Tariff Board report, to which you make reference, is a producers' report. It deals exclusively with the difference in the cost of production, if any, here and abroad. It is written in the interest of the woolen producers and the woolen manufacturers, and it has no bearing upon a genuine revision of the tariff in the interest of the consuming public. The best proof that I can give in support of my assertion is that the Republican Party themselves, in their recent platform, have entirely abandoned their previous declarations in favor of fixing tariff rates by a difference in cost of production here and abroad. In the present platform they do not say a word about that. They have dropped it entirely, and with it they ought to drop the pretense of fixing tariff rates upon the report of their Tariff Board, because that report of the Tariff Board deals practically exclusively with trying to find out an assumed difference in cost of production here and abroad in the production of wool and in the manufacture of woolen articles.

The Democratic Party were able to drive the Republican Party from their platform position of awarding a reasonable profit to American manufacturers in addition to this assumed difference in cost of production. Now we have been able to drive the Republican Party entirely from their whole platform position, and they did not have the temerity in the platform recently adopted at Chicago to insist upon measuring tariff rates by the difference in cost of production here and abroad. It was found upon an analysis and examination of the Tariff Board's report on wool and woollens that it was impossible to discover the cost of production in this country, let alone the difference in cost of production here and abroad; and for anyone to pretend that that report of the Tariff Board furnishes any basis whatever for the fixing of rates for a woolen schedule is to fly in the face of facts.

I am in favor of passing a Democratic revision of the woolen schedule. I am not in favor of compromising for a frankly protective measure, and I hope this House will flatly refuse to agree to the Senate amendment. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. HILL. Mr. Speaker, there are three measures pending before the House at this time. I ask unanimous consent that I may have 5 minutes on each one; that is 15 minutes altogether.

Mr. UNDERWOOD. I have no objection to the gentleman having 15 minutes, but I should like to see if I can get an agreement with the gentleman from New York about the length of time to be occupied before a vote is taken.

Mr. PAYNE. I do not know of anyone who wants to speak on this side except the gentleman from Connecticut [Mr. HILL],

the gentleman from Massachusetts [Mr. McCall], and the gentleman from Indiana [Mr. Crumpacker].

Mr. UNDERWOOD. How much time will they consume?

Mr. HILL. I should like 15 minutes—5 minutes on each bill.

Mr. UNDERWOOD. On the Hill bill, the La Follette bill, and the Underwood bill.

The SPEAKER. Five minutes on each of the three wool bills.

Mr. UNDERWOOD. Yes; 15 minutes. But when the debate is closed, we will vote on them all at one time.

Mr. HILL. Yes; I understand. We have got to make our choice between these three, and I think we ought to consider them all at one time.

The SPEAKER. How much time does the gentleman from Massachusetts desire?

Mr. McCall. Five minutes.

The SPEAKER. And how much time does the gentleman from Indiana desire?

Mr. PAYNE. The gentleman from Indiana wishes five minutes.

The SPEAKER. That will be 25 minutes.

Mr. UNDERWOOD. The gentleman wants 25 minutes on that side?

Mr. PAYNE. Yes.

Mr. UNDERWOOD. Then, Mr. Speaker, I ask that all debate on this bill be closed in 50 minutes, 25 minutes to be controlled by the gentleman from New York and the other 25 to be controlled by myself.

The SPEAKER. The gentleman from Alabama [Mr. Underwood] asks unanimous consent that debate on this bill be closed in 50 minutes, 25 minutes of that time to be controlled by himself and 25 by the gentleman from New York, it being understood that the gentleman from Connecticut [Mr. Hill] is to have 15 out of the 25.

Mr. UNDERWOOD. I assume that the gentleman from New York is going to yield 15 minutes to the gentleman from Connecticut.

Mr. PAYNE. I yield 15 minutes to the gentleman from Connecticut.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Connecticut is recognized for 15 minutes.

Mr. HILL. Mr. Speaker, the three bills pending are, first, the Underwood bill, originally introduced from the Ways and Means Committee, giving 20 per cent duty on wool and 40 per cent duty on cloth, these being the principal items in the bill; second, the Senate amendment prepared and presented by Senator La Follette, giving 35 per cent duty on wool and 55 per cent duty on cloth; and third, the Republican House bill, supported I believe by every Republican on this side of the Chamber, giving the rates called for in accordance with the report of the Tariff Board.

The gentleman from New York [Mr. Harrison] gives it as his opinion that it is impossible to ascertain the difference in the cost of production at home and abroad, and that therefore, the report of the Tariff Board is of no value. If the gentleman is right, then he stands facing the opposite opinion of the whole world, because most of the business in this world has for its basis the fixing of the selling price upon the cost of the product that is sold.

Mr. HARRISON of New York. Mr. Speaker, will the gentleman yield?

Mr. HILL. Certainly.

Mr. HARRISON of New York. The gentleman must concede that the selling price has very little to do with the cost of production.

Mr. HILL. I do not concede it. The selling price must be in accord with cost, or production ultimately stops in any line of business.

What are the characteristics of the Republican bill which was presented by this House and voted for by every Republican? First, that all unnecessary and ineffective duties in the wool schedule as shown clearly and explicitly by the Tariff Board should be eliminated, and they were eliminated. Second, that cotton should not bear a wool duty, coming in in woolen fabrics or woolen manufactures. That great fault in the wool schedule is inherent, both in the Underwood bill and in the La Follette bill, which my friend from Wisconsin [Mr. Lenroot] says he proposes to vote for in preference to the House bill. The Underwood bill absolutely puts a pair of rubber boots—to use the old, familiar illustration—under the wool duty. The La Follette bill does not do that particular thing, but errs in other respects. The Republican bill puts them where they belong, in the rubber schedule or under the clothing paragraph limiting the wool duty to the wool contained therein and nothing more. The

compensatory duty is based exactly upon the report of the Tariff Board.

Another thing. The Republican bill puts carpet wool on the free list, and carpet wool constitutes 60 per cent of our raw-wool importations. That is a Republican proposition. It is a noncompetitive product, which ought not to bear any duty. The La Follette bill makes it dutiable at 10 per cent. The Democratic bill makes it dutiable at 20 per cent, and adds to the cost of the American product, an increase in the cost of every carpet put into every home in the United States.

So much for the distinctive characteristics of that particular bill. It is protective in every item, and yet it is lower than the Democratic bill presented here by the Ways and Means Committee, so far as the whole schedule is concerned, not in particular items. I am perfectly free to admit that you can pick out items from the Republican bill which are higher than the Democratic bill; but the schedule as a whole is lower under the Republican bill, the bill which the Republicans voted for, by several per cent—at least 6 or 8 per cent—than the bill presented by the Democratic members of the Ways and Means Committee.

Now, in regard to the La Follette bill. What is it? I have said that the La Follette bill puts a wool duty on cotton. It does. It differs from the Democratic bill in this respect, that under the La Follette bill the article of chief value must be wool, but any article containing 51 per cent in value of wool and 49 per cent of cotton would come into this country with the cotton bearing the same duty as the wool. No such restriction is found in the Democratic measure. If there is one single woolen yarn in a piece of cloth and all the rest is cotton or jute, under your Democratic measure it bears the full wool duty. That is not in accordance with the report of the Tariff Board.

Now, then, as to the rates. The gentleman from Wisconsin says that he proposes to vote for the La Follette bill and vote down the motion for the bill which he voted for before. Does he deem the La Follette bill a better measure? Let me show him. Thirty-five per cent on wool, 55 per cent on cloth, means 34 per cent on woolen cloth on the basis of free wool. The Wilson bill, with free wool, gave 40 per cent on cloth worth less than 50 cents a pound, and every one of you gentlemen know that the cloth that is made worth less than 50 cents a pound is exceedingly rare, because the scoured wool alone is worth on the average 45 cents. The Wilson bill gave 50 per cent on cloth worth more than 50 cents a pound, and that was all of it practically, and this La Follette bill gives 34 per cent net on woolen fabrics, 16 per cent less than the Wilson bill of 1894. The Underwood bill gives 28 per cent, where the La Follette bill gives 34 per cent, where the Wilson bill gave 50 per cent. Take that home to yourselves and judge what the result will be. We are facing a campaign. I want to ask the Republicans on this side if they are going before their constituents and say that they voted here for a proposition that cut the duty on woolen fabrics 16 per cent below that which they had been condemning for the last 18 years? Are you? I say to Republicans and Democrats alike there is no halfway house in this country. Under both party declarations now there is no halfway house between English free trade and protection. [Applause on the Republican side.] We will have either protection based on the difference in the unit cost of production, fair alike to the consumer and the producer, or we will have English free trade. There is no mistake about that. It is such protection absolutely on farm products, on citrus fruits, on lead and zinc, on iron and steel, on every schedule in the tariff, measured by the difference in the unit cost of production, or it is English free trade on them all, and the people of the United States have got to take their choice in this campaign. Talk to me, the hypocritical talk that you can, about a tariff rate below the difference in the unit cost of production and not hurt an industry! Take this very schedule and talk about not injuring the industry! Ninety-six per cent of the entire consumption in this line of industry is home production now. Only 4 per cent is imported, and yet the Democratic bill, made according to the report of the Democratic committee, absolutely provided for the additional importation of 200,000,000 pounds of foreign wool, either in its raw state or in the fabric. Can that be done without hurting the domestic industry? It provided for an additional importation of \$40,000,000 worth of foreign cloth. It transferred the labor of 25,000 men from this country to Europe. Can it be done without injuring the American industry? Oh, I say to you, gentlemen, that it is time to think. Read your own platform, and read our platform. You can not go below the difference in the unit cost of production without encouraging foreign importations. When you encourage foreign importations you drive out the domestic product. That is your modern idea of a tariff for revenue only.

My Democratic friends, if you want a definition of a tariff for revenue only, go back to the South Carolina nullification convention of 1832, that all protected articles must go on the free list, all customs duties laid must be laid on noncompetitive products. That is a tariff for revenue only, and your platform has compelled your candidate to stand upon it, with the declaration that you have no power to lay or collect duties on any other basis. The Republican platform is to-day, and it has been for four years, for protection measured by the difference in the unit cost of production at home and abroad, but with an amendment now that if any duties are higher than that they shall be reduced, after an investigation—careful, protracted, and thorough—by an independent, nonpartisan tariff board. Such investigation has been made in the bill presented here by the gentleman from New York [Mr. PAYNE], cheerfully, enthusiastically, and patriotically offered by him as an amendment to the present law which bears his name. Is there any Republican on this side of the House who will go back upon his former vote in favor of that proposition and advocate for any reason whatever the bill presented by the gentleman from Wisconsin [Mr. LA FOLLETTE] in the Senate, 15 per cent below the Wilson bill? If he does, I wish him joy in answering some of the questions which his constituents, I fear, will ask him during the coming campaign, for, as I have said, there is no halfway house where the Secretary of the Treasury of the United States can stand and collect duties below the difference in the cost of production and not injure, exterminate, or embarrass the American industries upon which those duties are laid. One thing more: I commend to the chairman of the Ways and Means Committee in the conference just about to come, the following telegram.

The SPEAKER. The time of the gentleman has expired.

Mr. HILL. Just let me read this telegram as to the date when this bill shall go into effect.

Farmers, dealers, manufacturers, wholesale and retail clothiers, all carry large investments in raw and finished wool, therefore would recommend in the event of possibility of passage of wool bill, let a period of 9 to 12 months be allowed before bill takes effect. Early date as September might bankrupt many.

The La Follette bill provides for going into effect on the 1st of January, and the Democratic bill, if I am not mistaken, does the same thing. Even the Wilson bill, 18 years ago, recognizing that it took 8 to 12 months to manufacture and put woolen goods on the market, provided a difference of about 6 months between the time when the duty on wool and the duty on the finished product should go into effect. I commend that to the consideration of the chairman of the committee. [Applause.]

Mr. KITCHIN. I do not know of anybody on this side who wants to talk now except Mr. UNDERWOOD.

Mr. PAYNE. If there is only one person on that side, very well.

Mr. KITCHIN. I think Mr. UNDERWOOD will close the debate and perhaps be the only one. Suppose the gentleman now yields to the gentleman from Indiana.

Mr. PAYNE. I will yield to the gentleman from Indiana if the gentleman will send for Mr. UNDERWOOD.

Mr. KITCHIN. I have sent for him; he is at luncheon.

Mr. PAYNE. I yield five minutes to the gentleman from Indiana [Mr. CRUMPACKER].

Mr. CRUMPACKER. Mr. Speaker, at the last session of Congress the so-called Underwood bill for the revision of the tariff on wool was passed by the House and sent to the Senate. The Senate substituted, as I understand, the same bill for the Underwood bill that it presents now. When the measure came back to the House the amendment was disagreed to and the bill was put into conference, and the result was the compromise bill that was vetoed by the President. We have traveled exactly along the same course up to this point in relation to the revision of the woolen schedule at this session of Congress, and it seems that gentlemen on the other side desire to put the same bill into conference again with the hope or expectation of compromising on substantially the same bill as before, with the expectation, I have no doubt—the gentleman from New York [Mr. HARRISON] almost expressed the hope—that it will be vetoed by the President, and there will be no legislation on the wool schedule at all.

Mr. HARRISON of New York. Mr. Speaker, I will call the gentleman's attention to the fact that no request for a conference has been made.

Mr. CRUMPACKER. That is involved in the proposition to disagree to the Senate amendment. It would almost of necessity mean a conference.

Mr. HARRISON of New York. Not at all; there is no request for a conference being made by the House.

Mr. CRUMPACKER. I wondered if the gentleman from New York in his remarks a few minutes ago expressed the senti-



ment of the Democratic side of the House when he, in effect, said the purpose of the Democrats was to practically defeat legislation upon the woolen schedule at this session of Congress, with the expectation that on the 4th day of next March there would be a Democratic President inaugurated, and then there would be a real Democratic revision of the tariff.

Mr. HARRISON of New York. Will the gentleman be courteous enough to yield? I call attention to the fact the La Follette bill is not to go into effect until the 1st of next January.

Mr. CRUMPACKER. It is not a question of the date of its going into effect so much as the certainty of revising this important schedule. Besides, it would be necessary in a measure of this kind to provide that it shall not become operative until some time after its passage, so that business would have time to adjust itself. Let me ask gentlemen on the other side if it is their purpose and intention to prevent the revision of the woolen schedule until the next administration? If that is the attitude of the Democratic Party, let it be known to the country, let the Democratic side of the House carry the responsibility of defeating a measure which, if they would agree to now, would become a law.

Mr. HARRISON of New York. The gentleman knows and every man on that side of the House knows that we have long desired to revise the woolen schedule, and if you will agree to the Underwood bill, you will have a revision now. [Applause on the Democratic side.]

Mr. CRUMPACKER. It looks to the ordinary citizen as if this question had been nursed along for campaign purposes. The Senate amendment will operate in a reduction of the duty on the woolen schedule of from 45 to 50 per cent all along the line. Here is an opportunity, gentlemen, to pass a bill that will reduce the duties on the clothing that the people of the country wear from 45 to 50 per cent. You have the opportunity to do it now.

Mr. HARRISON of New York. Who is responsible for the delay?

Mr. CRUMPACKER. We are not running the business of the House; we are in a helpless minority. I want to say a word in relation to the attitude of the gentleman from Connecticut [Mr. HILL]. He says the so-called La Follette proposition will reduce the duty on wool and woolen fabrics 16½ per cent below the rate of the Wilson tariff of 1894. I heard him not very long ago pronounce a very high encomium upon the Payne tariff, because it made the rates below the Wilson tariff.

Mr. HILL. On the whole 14 schedules.

Mr. CRUMPACKER. But the woolen schedule had no share in the glory of getting the duties down below the Wilson rate.

Mr. KITCHIN. I will yield the gentleman two minutes to answer this: Will the gentleman from Indiana [Mr. CRUMPACKER] say whether he favors the Hill bill or whether he favors the La Follette bill?

Mr. CRUMPACKER. If I had my way about it, I would enact the so-called Hill bill into law.

Mr. KITCHIN. Have you ever read it?

Mr. CRUMPACKER. With some degree of care.

Mr. KITCHIN. What is the difference between the Hill bill and the La Follette bill? How much is the difference in the rates?

Mr. CRUMPACKER. There is some difference in the rates. I think the Hill bill is a little higher in some respects.

Mr. KITCHIN. Is not the Hill bill 25 per cent higher?

Mr. CRUMPACKER. It is not; and it is more equitable in a good many respects.

Mr. Speaker, my attitude is this: There is an opportunity now of passing a bill that may become a law. We may agree to the substitute offered by the gentleman from New York [Mr. PAYNE], and that means conference. One bird in the hand is worth two in conference.

Mr. KITCHIN. Does the gentleman believe that the President would sign the La Follette bill?

Mr. CRUMPACKER. I am not authorized to speak for him, but I think he would.

Mr. KITCHIN. If so, why did all the stand-pat Republicans of the Senate vote against it?

Mr. CRUMPACKER. I am not responsible for anything in the Senate.

Mr. HILL. Did the gentleman say that the Payne bill as now offered as a substitute was 25 per cent higher than the La Follette bill?

Mr. CRUMPACKER. No, sir; I did not say that. I say the Senate amendment approximates the facts reported by the Tariff Board. That amendment provides a rate for a large class of fabrics at 55 per cent ad valorem. The rate on raw wool is 35 per cent. The rate on the fabric is 55 per cent, so the process

of conversion of wool into cloth is protected by a 55 per cent rate plus the excess of the duty on raw wool of 20 per cent, and it seems to me that is high enough for protective purposes.

Mr. HILL. I wish to say that every individual member of the Tariff Board approves the bill of the gentleman from New York [Mr. PAYNE].

Mr. CRUMPACKER. I freely admit that the bill offered by the gentleman from New York [Mr. PAYNE] as a substitute for the Senate amendment, taken as a whole, is perhaps the most equitable and carefully prepared measure that has been submitted for consideration. As I said a moment ago, however, if that bill should be adopted as a substitute, the measure would be sent to the Senate and in all likelihood would go into conference. At this stage of the session it would mean that if the bill goes into conference the prospects for having an agreement between the two Houses and effective action would be very remote indeed. The Senate amendment which I have asked the House to agree to is a substantial embodiment of the essential facts contained in the Tariff Board's report. If the House should agree to that amendment the bill then would be ready to be submitted to the President for his approval. It is substantially different from the bill that passed the two Houses of Congress at the last session and was vetoed by the President. Furthermore, at that time the Tariff Board had made no report, and it was impossible for the President or anyone else to determine whether the bill that was submitted to him even approximately covered the difference in the cost of production here and in foreign countries. Conditions are different now. The report of the Tariff Board on the wool schedule has been before Congress over seven months, and careful examination of the report of the board will justify the conclusion that the Senate amendment substantially covers the difference in cost of production here and in foreign countries.

I am anxious for that amendment to prevail, because if it does I believe it means legislation. It means a thorough revision of the wool schedule. It means a reduction of the duties upon one of the great necessities of life—from 45 per cent to 50 per cent on an average—and at the same time the maintenance of a rate of duties sufficiently high as to protect American manufacturers against disastrous foreign competition. It is of vital importance to have legislation at as early a date as is practicable, providing always that the legislation is wise and just. We are here offering our Democratic adversaries an opportunity to vote into law a provision that is safe and, from their standpoint, one that will relieve the consumers of woolen goods from a burden that our adversaries claim they have been unjustly carrying for many years.

They seem to hesitate because the measure is not one of their own creation, because it does not carry the label of "tariff for revenue only." They know full well that if the Senate amendment is not agreed to that the bill will go into conference and that it will either die there or that the conferees will report substantially the same bill that was reported last summer, which will be vetoed by the President. The President can not well do otherwise.

The country must know that all of this talk and pretense of revising the tariff schedules in the interest of the consumer is pure buncombe, read in the light of the action of the Democratic majority in this body. They stubbornly refuse to accept anything in the way of tariff revision that does not fully conform to their own unwise and dangerous policy. They will not accept a reduction of 50 per cent of the duties on wool, because they believe in a reduction of 60 per cent. If they can not get a whole loaf, they prefer no bread at all. If they can not secure for the people complete relief, from their own standpoint, they prefer to withhold from the people any relief at all. My judgment is that if their own bill were enacted into law it would paralyze the woolen industry in the country and throw hundreds of thousands of men and women out of employment and go a long way toward precipitating a general industrial panic.

We are told that the report of the Tariff Board is inaccurate and that it is subject to any one of a half dozen interpretations. These criticisms are unfair and unjust. It is true that the differences in the cost of production of woolen fabrics in this country and in foreign countries can not be ascertained to a mathematical certainty, because of the differences that exist in the cost of production in different individual mills and in different localities in the same country. One who studies the report of the Tariff Board with a view to finding facts that will authorize the maintenance of a very high duty upon wools will accept the highest cost of production in this country as against the lowest cost of production in foreign countries, and upon this premise he will build a tariff that will be practically prohibitive. On the other hand, one who desires to eliminate all protective duties will study the report of the Tariff Board

to find justification for advocating free trade. He will take the lowest cost of production in the United States and compare it with the highest cost of production in foreign countries and conclude that it costs as much to manufacture woollens abroad as it does at home, and therefore there is no need of a tariff on woolen fabrics at all.

Honest, unbiased, sensible men will discover in the report of the Tariff Board the average cost of the great volume of woolen fabrics manufactured abroad that may enter our ports and occupy our markets against home production, unless there is a duty to protect the home product. They will not take the cost of production in a mill here that may produce cheaply, or another there that may produce at a very high cost, but they will take the difference in the cost of production of the great bulk in this country as compared with the great bulk of other countries, and from a business standpoint will ascertain the rate of duty that will be necessary to protect the American producer, and at the same time not be sufficiently high as to enable him to extort undue prices for his products from the consumer. It is a business question to be worked out by business methods.

I have given the Senate amendment careful study, and I am satisfied that under its operation no American industry will suffer. I feel assured that the duties carried in that amendment are high enough to protect every legitimate woolen industry in this country against destructive competition from abroad.

The present tariff on wool is unduly high. It is unscientific and unbusinesslike. If the Senate amendment should be agreed to and become a law, this Congress will have to its credit the enactment of no more important item of legislation than that, nor one that will meet with more earnest commendation of the people.

Mr. McCALL. Mr. Speaker, I am in favor of concurring in the Senate amendment, with the amendment proposed by the gentleman from New York [Mr. PAYNE]. With regard to the Senate bill I would say that, however high the opinion of gentlemen may be concerning the qualities of the author of that bill, and I admit the justice of much that is said in his favor, he did not have the benefit when he drew it of the investigations made by the Tariff Board. I am in favor of the amendment submitted by the gentleman from New York, because it comes as near as the seven minority members of the Ways and Means Committee could bring it to conform with the report of the Tariff Board. And unless we are to have a revision of the wool schedule along lines on which we as a party are pledged to draw such a bill, then I frankly say that the responsibility should go to the other side of the House for drawing a bill according to their theory. I do not believe in mongrel tariff bills which represent neither party, which may do harm, and which may benefit nobody, and for which no single party can be held responsible.

I agree with much that was said by the gentleman from New York [Mr. HARRISON]. I trust that the result may show that he is a false prophet, but if he is correct in his prophecy that Mr. Wilson will be President of the United States on the 4th of next March, then his position is entirely logical. His party has been in the minority for 16 years, and now when they see the promised land before them they compromise away their position on the tariff and agree to a tariff bill which does not conform to their views in any respect. I should hardly like to follow the gentleman as a prophet, because I might have to imitate Cassandra and prophesy evil. But we will have the issue fairly drawn, and if after the 4th of next March the Democratic Party is to be in control in the country and is to frame tariff legislation according to their platform and according to the speeches of its leaders during this session, then the American people will have an opportunity to judge from the effect upon industry, from the derangement, as I believe, of production which will follow, and the evil consequences of their action, whether they want tariff legislation upon Democratic lines or upon Republican lines. But if we compromise, if both parties agree here to a measure that is neither Republican nor Democratic, then no party can be held responsible. I am willing that those gentlemen who have the responsibility, if we are not to have a Republican tariff bill, should bear either the glory or the ignominy of whatever the result may be. [Applause on the Republican side.]

With regard to the bill which is called the "La Follette bill," it is clear that it does not accord with the Tariff Board report as to rates upon many important items, and especially in the character of duties. The Tariff Board recommended specific duties and the La Follette bill is made up of ad valorem duties. I would like to see, as I said, the report of the Tariff Board embodied in law.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield for a very brief question?

Mr. McCALL. Certainly.

Mr. LONGWORTH. Is there not another essential difference in that it does not follow the recommendation of the Tariff Board to assess the duty upon the scoured pound, and not upon the pound of raw wool? Is not that one of the very essential differences?

Mr. McCALL. The gentleman from Ohio is correct about that.

Now, I do not wish to say much more in regard to the report of the Tariff Board, which has been often criticized upon the floor of this House, but I will quote an authority who I think is an authority of the first rank. He is weighty because of the position he has held upon the tariff in the past, in view of his eminence as an economic scholar, and of the world-wide reputation which he bears. Prof. Taussig, of Harvard University, in an article published not long ago concerning the report of the Tariff Board, concluded in these words:

Economists will long find in these volumes a mine of information, and will be grateful for them when the political squabbles which now turn on them have been forgotten.

I wish to have a law passed here, as our party is pledged to pass one, based upon the report of the Tariff Board. But if we can not have a law on that basis, then let the Democratic Party assume the responsibility, and let them act upon their theories and embody them in law. [Applause.]

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. UNDERWOOD. Mr. Speaker, the report of this Tariff Board is the most remarkable document that has ever been presented to the Congress of the United States. The gentleman from Connecticut [Mr. HILL] states to this House, and I have no doubt in all good faith, so far as he is concerned, that his bill is sustained by the Tariff Board's report. The Senator from Wisconsin [Mr. LA FOLLETTE], at the other end of the Capitol, states to the Senate that his bill is sustained by the Tariff Board's report, and gentlemen on that side of the House assert that the La Follette bill should be passed, because the La Follette bill is written in conformity with the Tariff Board's report.

So far as I have been able to ascertain, the Tariff Board's report sustains the Democratic bill, so far as the report goes; and I want to challenge any man to point out where that report goes, in the ascertainment of facts of its own knowledge, beyond the question of a finding on raw wool and a finding on tops and a finding on yarn.

Now that is all the Tariff Board ever found as a matter of their own knowledge. It is true that they submitted certain samples of cloth to certain manufacturers in this country and abroad, asking them how much it would cost to make this sample in this country, and asking the foreign manufacturers how much it would cost to make it abroad—to make what they stated was a similar sample—and then they quote the statements of those manufacturers. Was that a finding of the Tariff Board? None whatever.

Now, outside of what they found on raw wool and on tops and on yarn, and these statements coming from third parties in reference to cloth, I challenge gentlemen to show me where they had made any statement about anything else in reference to the wool bill. [Applause on the Democratic side.]

Mr. HILL. Mr. Speaker, will the gentleman permit an interruption?

Mr. UNDERWOOD. Yes.

Mr. HILL. Does not the gentleman know that both the bill he had the honor to introduce and the bill that is now presented by the gentleman from Alabama [Mr. UNDERWOOD], with a motion to concur in the amendment, were written months before the Tariff Board made any report at all?

Mr. UNDERWOOD. Yes.

Mr. HILL. So that if there is any real harmony between the two it is a mere guess. The only change in the La Follette bill is a reduction of 5 per cent from the bill written months before the Tariff Board report was made, and the House bill is the same bill, with no change whatever on the part of the gentleman from Alabama. If there is any harmony, it is a good guess, that is all.

Mr. UNDERWOOD. I do not want the gentleman to take my time. I will yield to him all the time he wants. I am not contending that our bill was written on the report of the Tariff Board. I say the Tariff Board accepted the result of our findings and found the same result. [Applause on the Democratic side.]

There is not any man that can deny the proposition that the Tariff Board's findings as to the duty that should be levied on tops sustained the Democratic bill, and that as to the duty which should be levied on yarn they sustained the Democratic



bill, and you did not deny it when the bill was before the House. [Applause on the Democratic side.]

Now, on cloth there is no finding whatever, I say, by the Tariff Board. They went out to some manufacturers to ascertain what it would cost to make cloth here and abroad, and then they came back here and gave that statement as a report, and I asked what the cloth was and who the manufacturers were; they declined to give the information to the Committee on Ways and Means. And yet you ask the Congress of the United States to write a tariff bill on a report of facts that were assembled by British and American wool manufacturers [applause on the Democratic side], and it is on that kind of a report that you and your President desire to deny relief to the American people. [Applause on the Democratic side.]

Now, as I stated, the items reported on by the Tariff Board are about half the number of items in the tariff bill, and your board made no report whatever on the other items—merely threw it out, without information or any desire to give us information.

There was nothing in the world for the Committee on Ways and Means to do after that report came in but to stand by the bill it had originally reported to this House. That bill cuts the tax on raw wool nearly in half. It cuts the tax on the finished product of the woolen manufacturers nearly in half. It reduces the wool schedule from an average of 90 per cent on manufactured wool to 42 per cent. It is not a drastic bill. It is a very moderate tariff bill. And, eliminating what the manufacturer has to pay in the way of tariff on raw wool, it still leaves to the American manufacturer of cloth 32 per cent ad valorem protection.

Now, when this total labor cost, as shown by the report, is only 21 per cent, and the difference in the labor cost is admitted by everyone to be only one-half, and 10 or 11 per cent ad valorem would equal the difference in labor cost, here is a bill that gives the manufacturer 32 per cent protection. Do you say that is drastic and unfair to the American manufacturer? It gives him more than an ample protection.

But the Democratic Committee on Ways and Means did not attempt to be radical in this matter. It did not pretend to be radical. The Democratic platform that was in existence when the bill was written favored a gradual reduction of these tariff rates, and we made a gradual reduction in this bill.

The Tariff Board report has been made. That was an excuse why the President would not sign the woolen bill. Gentlemen on that side predicted that this bill would never come back to the House. It is here. I am not in favor of the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE]. I am ready now and will be ready when this bill goes to conference to give relief to the American people, even if I can not give all the relief that I believe is right and fair and just. [Applause on the Democratic side.]

Mr. ALLEN. Will the gentleman yield?

Mr. UNDERWOOD. I do.

Mr. ALLEN. Is it the purpose in sending the bill to conference to try to defeat legislation, or is it the intention to try to harmonize the differences between the two Houses and agree on a bill as speedily as possible?

Mr. UNDERWOOD. I will say to the gentleman that, of course, I can not answer for my colleagues on the committee. I am assuming that as chairman of the Committee on Ways and Means I will be on the conference committee, and I will speak for myself. So far as I am concerned, my purpose is, if possible, to relieve the American people from the burden of taxation that now rests on them, and I should like to relieve them at once.

Mr. MANN. Will the gentleman yield for a question?

Mr. UNDERWOOD. I will.

Mr. MANN. The gentleman's motion so far has not asked for a conference.

Mr. UNDERWOOD. I do not expect to ask for a conference now.

Mr. MANN. Because the Senate may recede?

Mr. UNDERWOOD. There may be a question as to whether the Senate will recede. I will be perfectly candid with the gentleman and with the House. My reason in not asking for a conference now is because I prefer my bill to the compromise bill. If I can get my bill, I am going to try to get it.

Mr. LENROOT. Will the gentleman yield for a question?

Mr. UNDERWOOD. I will.

Mr. LENROOT. Would the gentleman prefer his bill vetoed to a compromise bill signed?

Mr. UNDERWOOD. I will say to the gentleman from Wisconsin that I believe there is a greater probability of the President of the United States signing the Democratic House wool

bill than there is of his signing Senator LA FOLLETTE'S bill. [Applause on the Democratic side.] I think there is very much stronger probability, and there is a reason for it. I will tell you why. The La Follette bill has made practically no reduction on raw wool. It has made a reduction on the finished product. The burden of the La Follette bill on the manufacturer will be very much heavier because of the high tax it puts on raw wool and because of the reduction on the finished product than the Democratic tariff bill will be. There is no use of concealing that fact. There is a broader margin between our tax on raw wool and the tax on the finished product than there is in the Senate amendment.

Mr. KITCHIN. But our bill, on the whole, is lower.

Mr. UNDERWOOD. But our bill, on the whole, is lower than the Senate bill would be and less burden on the American people, because we do not put as high a tax on raw wool. That is the whole difference.

Mr. LENROOT. Which bill does the gentleman think offers greater competition from abroad?

Mr. UNDERWOOD. I think our bill does, because it is lower.

Mr. LENROOT. One more question. Is that to the interest of the American manufacturer, does the gentleman think?

Mr. UNDERWOOD. The competition with the American manufacturer comes when you estimate his cost. You could leave the Payne tariff rate, averaging 90 per cent on the finished product, and put a high enough tax on raw wool to put the American manufacturer out of business, notwithstanding the fact that the present rate is purely prohibitory, because when you increase the manufacturer's cost here by increasing his cost of raw wool you enable the foreigner to come in and compete with him, because you cut down his margin of profit.

Mr. KITCHIN. Because the foreigner pays no duty on raw wool.

Mr. UNDERWOOD. Certainly. The foreigner pays no duty on raw wool. If you put the rate high enough on raw wool, even under the Payne law, you could put the manufacturer out of existence. And there is where I criticize the Senate bill. I say there is no justification for the Senate bill. Under the theory of protection, with the tax you have on raw wool, the report of the Tariff Board showed clearly, if it showed anything—and the report of the Tariff Board on raw wool was more full and complete than all the balance of their report put together—they showed conclusively that so far as territorial wool is concerned there was no necessity of levying any tariff whatever for the purpose of protection, and the only place where they held that a tariff was necessary to be levied for protection on raw wool was for the merino sheep in Ohio and that section of the country. There they said that your present tariff rate of 11 and 12 cents a pound was not high enough to protect the growing of that class of sheep, but they also said that the half-breed sheep that could be sold for mutton, that was raised in Ohio and that country, could be grown without any tariff protection whatever on the wool.

If we were writing the tax on the theory of protection, there is nothing in this Tariff Board report that would justify our putting one cent of tax on raw wool. The Democratic Party put a tax on raw wool, not for protection, but for the purpose of raising \$17,000,000 revenue that we felt we could not dispense with. That is why we put the tax on raw wool.

Mr. LONGWORTH. Why, then, does the gentleman put raw wool on the free list, when it produces a very large revenue, when the gentleman admits that the revenue is necessary?

Mr. UNDERWOOD. It is a matter of discretion as to where you shall levy a tax for revenue, and the Democratic position on sugar recognized the fact that sugar produces a large amount of revenue; but we said that the tax on sugar went into the home of every man in the United States, high or low, rich or poor.

Mr. LONGWORTH. Does not wool go into every home?

Mr. UNDERWOOD. Not as fully as sugar does. And we substituted for the \$50,000,000 tax raised on sugar an excise tax to raise \$60,000,000 from the pockets of the wealth of this country. [Applause on the Democratic side.] By that substitution we felt that we could put sugar on the free list, and the reason we have the tax on raw wool is for the purpose of raising revenue, and that alone. Therefore I say you can not go by this Tariff Board report. There is no man on that side of the House that dares say it is a full and complete report. There are no two men on that side of the House who can come to the same conclusion, if you locked them up in different rooms, as to what the Tariff Board's report means. As a matter of fact, when the gentleman from Connecticut [Mr. HILL] brought in his bill before the Ways and Means Committee and submitted it as a substitute, the roll was called, and a record was

taken—and therefore I am not disclosing the secrets of the committee that are not liable to be given out—and the balance of his colleagues did not vote, because they did not know what was in the bill, and he had to sustain the bill in the committee alone.

Mr. HILL. To what bill does the gentleman refer? Every one of them voted for it.

Mr. UNDERWOOD. The wool bill.

Mr. HILL. Why, certainly; it was presented upon the floor of the House by the gentleman from New York [Mr. PAYNE].

Mr. UNDERWOOD. If I am mistaken, Mr. Speaker, I apologize.

Mr. HILL. The gentleman is no more mistaken than in regard to many other things, but he has made a complete mistake in regard to this.

Mr. UNDERWOOD. My recollection is that when the gentleman presented his bill before the committee his colleagues said they did not know what was in his bill and therefore would not vote for it.

Mr. HILL. The gentleman is entirely mistaken in reference to the wool bill. The bill was presented by the gentleman from New York [Mr. PAYNE].

Mr. UNDERWOOD. Mr. Speaker, some of my colleagues advise me that it was the gentleman's cotton bill in respect to which that happened.

Mr. HILL. Oh, we will take that up later.

Mr. UNDERWOOD. But it was in reference to a Tariff Board report, and it merely illustrates the proposition I made—that after the gentleman had written a bill following the Tariff Board report on cotton, his own colleagues could not recognize it. [Laughter on the Democratic side.]

Mr. HILL. I am entirely prepared now to discuss that proposition. Does the gentleman desire to discuss the cotton question at this time?

Mr. UNDERWOOD. No.

Mr. HILL. Then I would suggest that he confine himself to the wool bill.

Mr. PAYNE. Mr. Speaker, my suggestion was that the gentleman from Alabama called up the cotton bill without notice, and I had not even read the cotton bill prepared by the gentleman from Connecticut, and I did not know anything about it.

Mr. UNDERWOOD. Mr. Speaker, I hope that this House will send this bill back to the Senate, disagreeing to the Senate amendments. I hope when the bill goes to the Senate that body will change its mind and conclude to abandon its amendments and send this House bill to the President of the United States. If the Senate does that, then, in compliance with his pledges, in compliance with his statement to the American people that after a tariff board had given Congress the information it desired he was in favor of legislation, he will be compelled to sign the bill. If a Democratic House and a Republican Senate send him legislation, I contend that he can not refuse to sign it without stultifying himself before the American people. [Applause on the Democratic side.] But if the Senate of the United States concludes not to accept the House bill and insists on its amendments and asks for a conference, then the committee on conference, at least those representing this side of the House, will go to that conference in the hope that they can reach an agreement that will ultimately secure relief to the American people.

Mr. Speaker, I ask for a vote.

The SPEAKER. The question is on the motion of the gentleman from New York to concur with an amendment.

Mr. PAYNE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The Clerk called the roll; and there were—yeas 78, nays 158, answered "present" 8, not voting 146, as follows:

## YEAS—78.

Austin	Griest	Miller	Speer
Barchfeld	Haugen	Mondell	Steenerson
Bartholdt	Hawley	Moore, Pa.	Stephens, Cal.
Bowman	Howland	Mott	Sterling
Burke, S. Dak.	Hughes, W. Va.	Needham	Stevens, Minn.
Calder	Humphrey, Wash.	Norris	Sulloway
Cannon	Kahn	Patton, Pa.	Switzer
Copley	Kendall	Payne	Taylor, Ohio
Crago	Kennedy	Pickett	Tilson
Crumpacker	Kinkaid, Nebr.	Plumley	Towner
Curry	Knowland	Pray	Utter
Foss	Lafayette	Prince	Vare
French	La Follette	Prouty	Volstead
Fuller	Longworth	Rees	Wedemeyer
Gardner, Mass.	McCreary	Roberts, Mass.	Willis
Gardner, N. J.	McKinley	Rosenberg	Wilson, Ill.
Gillett	McKinney	Sells	Young, Kans.
Good	McLaughlin	Simmons	Young, Mich.
Green, Iowa	McMorran	Sloan	
Greene, Mass.	Mann	Smith, Saml. W.	

## NAYS—158.

Adair	Driscoll, D. A.	James	Rauch
Adamson	Estopinal	Johnson, Ky.	Reilly
Akin, N. Y.	Evans	Johnson, S. C.	Robinson
Alexander	Fergusson	Jones	Rothermel
Allen	Finley	Kent	Rouse
Anderson, Minn.	Flood, Va.	Kinkead, N. J.	Rubey
Anderson, Ohio	Floyd, Ark.	Kitchin	Rucker, Colo.
Ansberry	Foster	Konig	Russell
Ashbrook	Fowler	Korbly	Shackleford
Bathrick	Francis	Lamb	Sharp
Beall, Tex.	Gallagher	Lee, Ga.	Sims
Blackmon	George	Lee, Pa.	Sisson
Boehne	Glass	Lenroot	Slayden
Brantley	Godwin, N. C.	Lever	Small
Buchanan	Goeke	Lindbergh	Smith, Tex.
Bulkley	Goodwin, Ark.	Linthicum	Stanley
Burke, Wis.	Graham	Littlepage	Stedman
Burleson	Gray	Lloyd	Stephens, Nebr.
Burnett	Gregg, Pa.	Lobeck	Stephens, Tex.
Byrnes, Tenn.	Gregg, Tex.	McCoy	Stone
Candler	Gudger	McDermott	Sulzer
Carlin	Hamill	McKellar	Sweet
Claypool	Hamlin	Maguire, Nebr.	Taggart
Clayton	Hammond	Maher	Talcott, N. Y.
Cline	Hanna	Martin, Colo.	Taylor, Colo.
Connell	Hardy	Mays	Thayer
Conry	Harrison, Miss.	Morrison	Townsend
Cox, Ind.	Harrison, N. Y.	Moss, Ind.	Tribble
Cullop	Hay	Murray	Tuttle
Curley	Hayden	Neeley	Underwood
Davis, Minn.	Heflin	Oldfield	Watkins
Davis, W. Va.	Helgesen	O'Shaunessy	Webb
Dent	Henry, Tex.	Padgett	Whitacre
Dickinson	Hensley	Page	White
Dickson, Miss.	Holland	Pepper	Wilson, Pa.
Difenderfer	Houston	Post	Witherspoon
Dixon, Ind.	Howard	Pou	Woods, Iowa
Donohoe	Hull	Rainey	The Speaker
Doremus	Humphreys, Miss.	Raker	
Doughton	Jacoway	Ransdell, La.	

## ANSWERED "PRESENT"—8.

Berger	Butler	Hill	Parran
Browning	Dwight	McCall	Sparkman

## NOT VOTING—146.

Alken, S. C.	Denver	Hughes, Ga.	Powers
Ainey	Dies	Hughes, N. J.	Pujo
Ames	Dodds	Jackson	Randell, Tex.
Andrus	Draper	Kindred	Redfield
Anthony	Driscoll, M. E.	Konop	Reyburn
Ayres	Dupré	Kopp	Richardson
Barnhart	Dyer	Lafferty	Riordan
Bartlett	Edwards	Langham	Roberts, Nev.
Bates	Ellerbe	Langley	Roddenbery
Bell, Ga.	Esch	Lawrence	Rucker, Mo.
Booher	Fairchild	Legare	Sabath
Borland	Faison	Levy	Saunders
Bradley	Farr	Lewis	Scully
Broussard	Ferris	Lindsay	Sheppard
Brown	Fields	Littleton	Sherley
Burgess	Fitzgerald	Loud	Sherwood
Burke, Pa.	Focht	McGillcuddy	Slemp
Byrnes, S. C.	Fordney	McGuire, Okla.	Smith, J. M. C.
Callaway	Fornes	McHenry	Smith, Cal.
Campbell	Garner	McKenzie	Smith, N. Y.
Cantrill	Garrett	Macon	Stack
Carter	Goldfogle	Madden	Stephens, Miss.
Cary	Gould	Martin, S. Dak.	Talbott, Md.
Catlin	Guernsey	Matthews	Taylor, Ala.
Clark, Fla.	Hamilton, Mich.	Moon, Pa.	Thistlewood
Collier	Hamilton, W. Va.	Moon, Tenn.	Thomas
Cooper	Hardwick	Moore, Tex.	Turnbull
Covington	Harris	Morgan	Underhill
Cox, Ohio	Hartman	Morse, Wis.	Vreeland
Cravens	Hayes	Murdock	Warburton
Currier	Heald	Nelson	Weeks
Dalzell	Helm	Nye	Wilder
Danforth	Henry, Conn.	Olmsted	Wilson, N. Y.
Daugherty	Higgins	Palmer	Wood, N. J.
Davenport	Hinds	Patten, N. Y.	Young, Tex.
Davidson	Hobson	Peters	
De Forest	Howell	Porter	

So the motion to concur with an amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. JACKSON (to concur) with Mr. HUGHES of New Jersey (against).

Mr. BROUSSARD with Mr. THISTLEWOOD.

Until August 1:

Mr. COX of Ohio with Mr. ANTHONY.

Until August 28:

Mr. BYRNES of South Carolina with Mr. MADDEN.

Until further notice:

Mr. FERRIS with Mr. GUERNSEY.

Mr. PATTEN of New York with Mr. REYBURN.

Mr. FIELDS with Mr. LANGLEY.

Mr. RUCKER of Missouri with Mr. DYER.

Mr. PALMER with Mr. HILL (with mutual privilege to transfer).

Mr. SAUNDERS with Mr. FOCHT.

Mr. PETERS with Mr. MCCALL.

Mr. FAISON with Mr. DE FOREST.



Mr. THOMAS with Mr. VREELAND.  
 Mr. SHERWOOD with Mr. WOOD of New Jersey.  
 Mr. EDWARDS with Mr. DALZELL.  
 Mr. SPARKMAN with Mr. DAVIDSON.  
 Mr. GARRETT with Mr. FORDNEY.  
 Mr. SHEPPARD with Mr. BATES.  
 Mr. HARDWICK with Mr. CAMPBELL.  
 Mr. SCULLY with Mr. BROWNING.  
 Mr. CALLAWAY with Mr. MICHAEL E. DRISCOLL.  
 Mr. LITTLETON with Mr. DWIGHT.  
 Mr. LEGARE with Mr. LOUD.  
 Mr. DUPRE with Mr. WILDER.  
 Mr. PUJO with Mr. SLEMP.  
 Mr. TALBOTT of Maryland with Mr. PARRAN.  
 Mr. TAYLOR of Alabama with Mr. HARTMAN.  
 Mr. AIKEN of South Carolina with Mr. AINEY.  
 Mr. AYRES with Mr. AMES.  
 Mr. BARNHART with Mr. BURKE of Pennsylvania.  
 Mr. BORLAND with Mr. CATLIN.  
 Mr. BROWN with Mr. DANFORTH.  
 Mr. CANTRILL with Mr. DODDS.  
 Mr. CARTER with Mr. DRAPER.  
 Mr. CLARK of Florida with Mr. HAMILTON of Michigan.  
 Mr. COLLIER with Mr. FARR.  
 Mr. COVINGTON with Mr. HARRIS.  
 Mr. DAUGHERTY with Mr. HEALD.  
 Mr. DAVENPORT with Mr. HENRY of Connecticut.  
 Mr. DIES with Mr. HIGGINS.  
 Mr. ELLERBE with Mr. CURRIER.  
 Mr. FITZGERALD with Mr. HINDS.  
 Mr. GARNER with Mr. HOWELL.  
 Mr. GOLDFOGLE with Mr. LAWRENCE.  
 Mr. HAMILTON of West Virginia with Mr. LAFFERTY.  
 Mr. HELM with Mr. MCGUIRE of Oklahoma.  
 Mr. HUGHES of Georgia with Mr. MCKENZIE.  
 Mr. KINDRED with Mr. MARTIN of South Dakota.  
 Mr. LEVY with Mr. POWERS.  
 Mr. MCGILICUDDY with Mr. MATTHEWS.  
 Mr. MOON of Tennessee with Mr. MOON of Pennsylvania.  
 Mr. RICHARDSON with Mr. NYE.  
 Mr. SHERLEY with Mr. OLMSTED.  
 Mr. SMITH of New York with Mr. PORTER.  
 Mr. STEPHENS of Mississippi with Mr. ROBERTS of Nevada.  
 Mr. UNDERHILL with Mr. J. M. C. SMITH.  
 Mr. WILSON of New York with Mr. SMITH of California.  
 Mr. YOUNG of Texas with Mr. KOPP.  
 For the session:  
 Mr. BURGESS with Mr. WEEKS.  
 Mr. HOBSON with Mr. FAIRCHILD.  
 Mr. BELL of Georgia with Mr. LANGHAM.  
 Mr. FORNES with Mr. BRADLEY.  
 Mr. RIORDAN with Mr. ANDRUS.  
 Mr. BARTLETT with Mr. BUTLER.  
 Mr. TURNBULL with Mr. HAYES.

Mr. BROWNING. Mr. Speaker, I find I am paired with Mr. SCULLY, of New Jersey. I voted "aye." I desire to withdraw my vote and answer "present."

The name of Mr. BROWNING was called, and he answered "Present."

Mr. MCCALL. Mr. Speaker, I voted "aye," and I am paired with my colleague Mr. PETERS, and I desire to withdraw my vote and answer "present."

The SPEAKER. Call the gentleman's name.

The name of Mr. MCCALL was called, and he answered "Present."

Mr. DWIGHT. Mr. Speaker, I am paired with Mr. LITTLETON, of New York. I voted "aye," and desire to withdraw my vote and answer "present."

The SPEAKER. Call the gentleman's name.

The name of Mr. DWIGHT was called, and he answered "Present."

Mr. BUTLER. Mr. Speaker, I have a general pair with the gentleman from Georgia, Mr. BARTLETT. I find he is absent. I voted "aye," and I would like to withdraw my vote.

The SPEAKER. Call the gentleman's name.

The name of Mr. BUTLER was called, and he answered "Present."

The SPEAKER. Call my name.

The name of Mr. CLARK of Missouri was called, and he voted "no."

The result of the vote was announced as above recorded.

The SPEAKER. The question is—did the gentleman from Indiana want to offer his motion?

Mr. CRUMPACKER. I thought it was pending; if it is not, I move the House concur in the Senate amendment.

The SPEAKER. The question is on concurring in the Senate amendment.

The question was taken, and the Speaker announced the yeas seemed to have it.

Mr. ASHBROOK. Mr. Speaker, I ask for the yeas and nays.

Mr. CRUMPACKER. Mr. Speaker, I ask for the yeas and nays on the vote.

The SPEAKER. Forty-three gentlemen have arisen, not a sufficient number. It takes 46—

Mr. CRUMPACKER. Mr. Speaker, I demand the other side. The negative was taken.

The SPEAKER. On this vote the yeas are 43, the noes are 192; 43 is a sufficient number, and the Clerk will call the roll. [Applause.] This vote is on the motion of the gentleman from Indiana to concur in the Senate amendment.

The question was taken; and there were—yeas 56, nays 179, answered "present" 7, not voting 148, as follows:

## YEAS—56.

Akin, N. Y.	Good	Lenroot	Sells
Anderson, Minn.	Green, Iowa	Lindbergh	Sloan
Ashbrook	Griest	McLaughlin	Smith, Saml. W.
Bowman	Hanna	Miller	Steenerson
Burke, S. Dak.	Hawley	Moss, Ind.	Stephens, Cal.
Copley	Helgesen	Mott	Stevens, Minn.
Crumpacker	Hughes, W. Va.	Norris	Towner
Curry	Kendall	Patton, Pa.	Vare
Davis, Minn.	Kennedy	Pickett	Volstead
Donohoe	Kent	Prince	Wedemeyer
Francis	Kinkaid, Nebr.	Prouty	Whitacre
French	Lafean	Rees	Wilson, Ill.
Fuller	Lafferty	Roberts, Mass.	Woods, Iowa
Gardner, N. J.	La Follette	Rucker, Colo.	Young, Kans.

## NAYS—179.

Adair	Finley	Kinkead, N. J.	Reilly
Adamson	Flood, Va.	Kitchin	Robinson
Alexander	Floyd, Ark.	Knowland	Rodenberg
Allen	Foss	Konig	Rothermel
Anderson, Ohio	Foster	Korby	Rouse
Austberry	Fowler	Lamb	Rubey
Austin	Gallagher	Lee, Ga.	Russell
Barchfield	Gardner, Mass.	Lee, Pa.	Shackelford
Bartholdt	George	Lever	Sharp
Bathrick	Gillett	Linthicum	Simmons
Beall, Tex.	Glass	Littlepage	Sisson
Blackmon	Godwin, N. C.	Lloyd	Slayden
Boehne	Goeke	Lobeck	Small
Brantley	Goodwin, Ark.	Longworth	Smith, Tex.
Broussard	Graham	McCoy	Speer
Buchanan	Gray	McCreary	Stanley
Bulkley	Greene, Mass.	McDermott	Stedman
Burke, Wis.	Gregg, Pa.	McKellar	Stephens, Nebr.
Burleson	Gregg, Tex.	McKinley	Stephens, Tex.
Burnett	Gudger	McKinney	Sterling
Byrnes, Tenn.	Hamill	McMorran	Stone
Calder	Hamlin	Maguire, Nebr.	Sulloway
Candler	Hammond	Maher	Sulzer
Cannon	Hardy	Mann	Sweet
Carlin	Harrison, Miss.	Martin, Colo.	Switzer
Claypool	Harrison, N. Y.	Mondell	Taggart
Clayton	Haugen	Moore, Pa.	Talcott, N. Y.
Cline	Hay	Morrison	Taylor, Colo.
Connell	Hayden	Murray	Taylor, Ohio.
Conry	Healin	Needham	Thayer
Cox, Ind.	Henry, Tex.	Neeley	Tilson
Crago	Hensley	Oldfield	Townsend
Cravens	Holland	O'Shaunessy	Tribble
Curley	Houston	Padgett	Tuttle
Davis, W. Va.	Howard	Page	Underwood
Dent	Howland	Payne	Utter
Dickinson	Hull	Pepper	Watkins
Difenderfer	Humphrey, Wash.	Plumley	Webb
Dixon, Ind.	Humphreys, Miss.	Post	White
Doremus	Jacoway	Pou	Willis
Doughton	James	Pray	Wilson, Pa.
Driscoll, D. A.	Johnson, Ky.	Ralney	Witherspoon
Estopinal	Johnson, S. C.	Raker	Young, Mich.
Evans	Jones	Ransdell, La.	The Speaker
Fergusson	Kahn	Rauch	

## ANSWERED "PRESENT"—7.

Berger	Butler	Hill	Parran
Browning	Dwight	Mays	

## NOT VOTING—148.

Aiken, S. C.	Catlin	Edwards	Hayes
Ainey	Clark, Fla.	Ellerbe	Heald
Ames	Collier	Esch	Helm
Andrus	Cooper	Fairchild	Henry, Conn.
Anthony	Covington	Faison	Higgins
Ayres	Cox, Ohio	Farr	Hinds
Barnhart	Cullop	Ferris	Hobson
Bartlett	Currier	Fields	Howell
Bates	Dalzell	Fitzgerald	Hughes, Ga.
Bell, Ga.	Danforth	Focht	Hughes, N. J.
Booher	Daugherty	Fordney	Jackson
Borland	Davenport	Fornes	Kindred
Bradley	Davidson	Garner	Konop
Brown	De Forest	Garrett	Kopp
Burgess	Denver	Goldfogle	Langham
Burke, Pa.	Dickson, Miss.	Gould	Langley
Byrnes, S. C.	Dies	Guernsey	Lawrence
Callaway	Dodds	Hamilton, Mich.	Legare
Campbell	Draper	Hamilton, W. Va.	Levy
Cantrill	Driscoll, M. E.	Hardwick	Lewis
Carter	Dupré	Harris	Lindsay
Cary	Dyer	Hartman	Littleton

Loud	Murdock	Roberts, Nev.	Stack
McCall	Nelson	Roddenbery	Stephens, Miss.
McGillicuddy	Nye	Rucker, Mo.	Talbot, Md.
McGuire, Okla.	Olmsted	Sabath	Taylor, Ala.
McHenry	Palmer	Saunders	Thistlewood
McKenzie	Patten, N. Y.	Scully	Thomas
Macon	Peters	Sheppard	Turnbull
Madden	Porter	Sherley	Underhill
Martin, S. Dak.	Powers	Sherwood	Vreeland
Matthews	Pujo	Sims	Warburton
Moon, Pa.	Randell, Tex.	Slemp	Weeks
Moon, Tenn.	Redfield	Smith, J. M. C.	Wilder
Moore, Tex.	Reyburn	Smith, Cal.	Wilson, N. Y.
Morgan	Richardson	Smith, N. Y.	Wood, N. J.
Morse, Wis.	Riordan	Sparkman	Young, Tex.

So the motion to concur in the Senate amendment was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. SIMS with Mr. HARRIS.

Mr. MAYS with Mr. THISTLEWOOD.

For the vote:

Mr. JACKSON (to concur) with Mr. HUGHES of New Jersey (against).

Mr. MAYS. Mr. Speaker, I wish to change my vote from "nay" to "present."

The name of the gentleman from Florida [Mr. MAYS] was called, and he voted "present."

The SPEAKER. The Clerk will call my name.

The name of Mr. CLARK of Missouri was called, and he voted "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The amendment of the gentleman from Indiana [Mr. CRUMPACKER] is rejected, and that carries with it the motion of the gentleman from Alabama [Mr. UNDERWOOD] to disagree to the Senate amendment.

On motion of Mr. UNDERWOOD, a motion to reconsider the vote by which the motion to concur in the Senate amendment was rejected was laid on the table.

#### EXCISE TAX.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 21214, known as the excise-tax bill, for the purpose of considering the Senate amendments, and, pending that motion, I ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] moves that the House resolve itself into the Committee of the Whole House on the state of the Union to consider the Senate amendments to the excise bill, and, pending that, he asks unanimous consent that the amendments may be considered in the House as in the Committee of the Whole House on the state of the Union.

Mr. PAYNE. Mr. Speaker, I want to say to the gentleman that I have no objection to that order. I want a separate vote on amendments Nos. 12 and 13, one with reference to the repeal of the reciprocity act and one with reference to the Tariff Board.

Mr. UNDERWOOD. There will be no objection on my part to the gentleman getting that.

The SPEAKER. What is the agreement?

Mr. UNDERWOOD. I have just stated to the gentleman from New York [Mr. PAYNE] that there would be no attempt to prevent his getting a separate vote on those amendments.

The SPEAKER. The gentleman from New York [Mr. PAYNE] gives notice that he desires a separate vote on amendments numbered 12 and 13, one on reciprocity and one on the Tariff Board.

Mr. MANN. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MANN. Is it not true that a separate vote would have to be taken on every amendment except by unanimous consent otherwise?

The SPEAKER. The Chair did not understand.

Mr. UNDERWOOD. I think the gentleman is correct about it.

Mr. MANN. Would not a separate vote have to be taken on every amendment except by unanimous consent otherwise?

The SPEAKER. The Chair thinks so. Is there objection to the motion of the gentleman from Alabama [Mr. UNDERWOOD]? [After a pause.] The Chair hears none. The Clerk will report the first amendment.

Mr. PAYNE. Mr. Speaker, one or two gentlemen who have spoken on the other bill desire unanimous consent to extend their remarks in the RECORD. I do not ask it for myself.

Mr. UNDERWOOD. Mr. Speaker, I ask unanimous consent that those gentlemen who spoke on the wool bill when it was

pending before the House have five legislative days in which to extend their remarks in the RECORD.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent that all Members who spoke on the wool bill shall have five legislative days in which to extend their remarks in the RECORD on the bill. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the Senate amendments to the excise bill.

Mr. UNDERWOOD. Mr. Speaker, unless there is a desire on the part of some gentlemen on the other side of the House to have a vote on the other amendments to this bill—and most of them are technical amendments, except the two amendments indicated by the gentleman from New York, namely, 12 and 13—I ask unanimous consent to disagree to the other Senate amendments.

The SPEAKER. The gentleman from Alabama asks unanimous consent to disagree to all the Senate amendments except those as to reciprocity and the Tariff Board. Is there objection?

There was no objection.

Mr. UNDERWOOD. Now, Mr. Speaker, if the gentleman from New York desires to make his motion—

Mr. PAYNE. Mr. Speaker, I move that the House concur in the amendment numbered 12.

Mr. UNDERWOOD. Now, on that motion I would like to agree with the gentleman from New York as to how much time he wants.

Mr. PAYNE. No gentleman has spoken to me in regard to time. I do not know of anyone who wishes it, unless it is the gentleman from Illinois [Mr. MANN].

Mr. UNDERWOOD. If no gentleman on that side desires time, I would like to have a vote.

Mr. PAYNE. I do not know whether any gentleman desires time or not.

Mr. MANN. Mr. Speaker, I ask unanimous consent to extend my remarks on amendment numbered 12 in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from Connecticut [Mr. HILL] makes the same request. Is there objection? [After a pause.] The Chair hears none.

Mr. SAMUEL W. SMITH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on amendment numbered 12.

The SPEAKER. Is there objection?

There was no objection.

Mr. CANNON. Mr. Speaker, I make a similar request.

The SPEAKER. The gentleman from Illinois [Mr. CANNON] submits a similar request. Is there objection?

There was no objection.

Mr. CALDER. Mr. Speaker, I make the same request.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on amendment No. 12. Is there objection?

There was no objection.

Mr. UNDERWOOD. Mr. Speaker, I would like to ask unanimous consent that gentlemen who desire to speak on amendment No. 12, the repeal of the Canadian reciprocity pact, may have five legislative days in which to extend their remarks in the RECORD.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent that all gentlemen who desire to do so may have five legislative days in which to extend their remarks in the RECORD on the Canadian reciprocity pact. Is there objection? [After a pause.] The Chair hears none.

Mr. PAYNE. Mr. Speaker, I move that the House concur in Senate amendment No. 12.

Mr. UNDERWOOD. I ask for a vote, Mr. Speaker, if gentlemen do not desire to discuss the amendment.

Mr. PAYNE. I ask for the yeas and nays on the proposition.

The SPEAKER. Is this the reciprocity amendment that is to be voted on now?

Mr. PAYNE. Yes; it is the repeal of the reciprocity bill.

Mr. TOWNSEND. Mr. Speaker, I ask that the amendment be reported.

The SPEAKER. The gentleman from New Jersey [Mr. TOWNSEND] asks that the amendment be reported. Without objection, the Clerk will report Senate amendment No. 12.

There was no objection.

The Clerk read the amendment, as follows:

(12) SEC. 11. That the act entitled "An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes," approved July 26, 1911, be, and is hereby, repealed: *Provided*, That



from and after the passage of this act the duty on chemical wood pulp shall be one-twelfth of 1 cent per pound, dry weight, if unbleached, and one-eighth of 1 cent per pound if bleached, and the duty on printing paper as described in paragraph 409 of the act approved August 5, 1909, shall be one-tenth of 1 cent per pound if valued at not above 3 cents per pound, two-tenths of 1 cent per pound if valued above 3 cents and not above 5 cents per pound, and 7½ per cent ad valorem if valued above 5 cents per pound.

The SPEAKER. The gentleman from New York [Mr. PAYNE] moves to concur in Senate amendment numbered 12, and on that motion he demands the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Those in favor of repealing the reciprocity pact will vote "yea" when their names are called; those opposed will vote "nay."

The question was taken; and there were—yeas 107, nays 126, answered "present" 8, not voting 149, as follows:

## YEAS—107.

Akin, N. Y.	Gillett	Lindbergh	Sells
Anderson, Minn.	Godwin, N. C.	Longworth	Sharp
Ashbrook	Good	McCreary	Simmons
Austin	Graham	McKinley	Sloan
Barchfield	Green, Iowa	McKinney	Smith, Saml. W.
Bartholdt	Greene, Mass.	McLaughlin	Speer
Bathrick	Griest	McMorran	Steenerson
Bowman	Gudger	Miller	Stevens, Cal.
Broussard	Hammond	Moore, Pa.	Sterling
Burke, S. Dak.	Hanna	Mott	Stevens, Minn.
Burke, Wis.	Haugen	Needham	Stone
Cannon	Hawley	Neeley	Sulloway
Claypool	Heald	Norris	Switzer
Copley	Helgesen	Page	Taylor, Ohio
Crago	Howland	Patton, Pa.	Towner
Crumpacker	Hughes, W. Va.	Payne	Utter
Curry	Humphrey, Wash.	Pickett	Vare
Davis, Minn.	Kahn	Plumley	Volstead
Difenderfer	Kendall	Pou	Webb
Doughton	Kennedy	Pray	Wedemeyer
Foss	Kent	Prince	Whitacre
Foster	Kinkaid, Nebr.	Prouty	Willis
Fowler	Knowland	Rees	Wilson, Ill.
French	Lafean	Roberts, Mass.	Woods, Iowa
Fuller	Lafferty	Rodenberg	Young, Kans.
Gardner, Mass.	La Follette	Rubey	Young, Mich.
Gardner, N. J.	Lenroot	Rucker, Colo.	

## NAYS—126.

Adair	Fergusson	Kinkaid, N. J.	Reilly
Adamson	Finley	Kitchin	Robinson
Alexander	Flood, Va.	Konig	Rothermel
Allen	Floyd, Ark.	Korby	Rouse
Anderson, Ohio	Francis	Lamb	Russell
Ansberry	Gallagher	Lee, Ga.	Shackelford
Beall, Tex.	George	Lee, Pa.	Sims
Berger	Goeke	Lever	Sisson
Blackmon	Goodwin, Ark.	Linthicum	Slayden
Boehne	Gray	Littlepage	Small
Buchanan	Gregg, Pa.	Lloyd	Smith, Tex.
Bulkley	Gregg, Tex.	Lobeck	Stanley
Burleson	Hamill	McCall	Stedman
Burnett	Hamlin	McCoy	Stephens, Nebr.
Byrnes, Tenn.	Hardy	McDermott	Stephens, Tex.
Calder	Harrison, Miss.	McKellar	Sweet
Candler	Harrison, N. Y.	Maguire, Nebr.	Taggart
Clayton	Hay	Maher	Talcott, N. Y.
Cline	Hayden	Mann	Taylor, Colo.
Connell	Hefflin	Martin, Colo.	Thayer
Conry	Henry, Tex.	Morrison	Tilson
Cox, Ind.	Hensley	Moss, Ind.	Townsend
Cullop	Holland	Murray	Tribble
Curley	Houston	Oldfield	Tuttle
Davis, W. Va.	Howard	O'Shaunessy	Underwood
Dent	Hull	Padgett	Watkins
Dixon, Ind.	Humphreys, Miss.	Pepper	White
Donohoe	Jacoway	Post	Wilson, Pa.
Donemus	James	Rainey	Witherspoon
Driscoll, D. A.	Johnson, Ky.	Raker	The Speaker
Estopinal	Johnson, S. C.	Ransdell, La.	
Evans	Jones	Rauch	

## ANSWERED "PRESENT"—8.

Browning	Catlin	Glass	Mays
Butler	Dwight	Hill	Parran

## NOT VOTING—149.

Aiken, S. C.	Clark, Fla.	Esch	Hinds
Ainey	Collier	Fairchild	Hobson
Ames	Cooper	Faison	Howell
Andrus	Covington	Farr	Hughes, Ga.
Anthony	Cox, Ohio	Ferris	Hughes, N. J.
Ayres	Cravens	Fields	Jackson
Barnhart	Currier	Fitzgerald	Kindred
Bartlett	Dalzell	Focht	Konop
Bates	Danforth	Fordney	Kopp
Bell, Ga.	Daugherty	Fornes	Langham
Boeber	Davenport	Garner	Langley
Borland	Davidson	Garrett	Lawrence
Bradley	De Forest	Goldfogle	Legare
Brantley	Denver	Gould	Levy
Brown	Dickinson	Guernsey	Lewis
Burgess	Dickson, Miss.	Hamilton, Mich.	Lindsay
Burke, Pa.	Dies	Hamilton, W. Va.	Littleton
Byrnes, S. C.	Dodds	Hardwick	Loud
Callaway	Draper	Harris	McGuillicuddy
Campbell	Driscoll, M. E.	Hartman	McGuire, Okla.
Cantrill	Dupré	Hayes	McHenry
Carlin	Dyer	Helm	McKenzie
Carter	Edwards	Henry, Conn.	Macon
Cary	Ellerbe	Higgins	Madden

Martin, S. Dak.	Peters	Scully	Thistlewood
Matthews	Porter	Sheppard	Thomas
Mondell	Powers	Sherley	Turnbull
Moon, Pa.	Pujo	Sherwood	Underhill
Moon, Tenn.	Randell, Tex.	Slemp	Vreeland
Moore, Tex.	Redfield	Smith, J. M. C.	Warburton
Morgan	Reyburn	Smith, Cal.	Weeks
Morse, Wis.	Richardson	Smith, N. Y.	Wilder
Murdock	Riordan	Sparkman	Wilson, N. Y.
Nelson	Roberts, Nev.	Stack	Wood, N. J.
Nye	Roddenberry	Stephens, Miss.	Young, Tex.
Olmsted	Rucker, Mo.	Sulzer	
Palmer	Sabath	Talbot, Md.	
Patten, N. Y.	Saunders	Taylor, Ala.	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he voted "nay," as above recorded.

So the motion to concur in Senate amendment No. 12 was lost.

The Clerk announced the following additional pairs:

For the session:

Mr. GLASS with Mr. SLEMP.

On the vote:

Mr. PETERS with Mr. FARR.

Mr. JACKSON (for repeal) with Mr. HUGHES of New Jersey (against).

Until further notice:

Mr. SULZER with Mr. MATTHEWS.

Mr. PUJO with Mr. MCGUIRE of Oklahoma.

Mr. RODDENBERRY with Mr. J. M. C. SMITH.

Mr. BRANTLEY with Mr. MARTIN of South Dakota.

Mr. COLLIER with Mr. MONDELL.

Mr. DWIGHT. Mr. Speaker, I voted "yea," but I find that I am paired with my colleague from New York, Mr. LITTLETON, and I wish to withdraw my vote and answer "present."

The SPEAKER. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. DWIGHT, and he answered "Present."

Mr. STERLING. Mr. Speaker, am I recorded as voting?

The SPEAKER. The gentleman is recorded.

The result of the vote was announced as above recorded.

The SPEAKER. The motion to concur in the Senate amendment is lost, which is equivalent to the adoption of a motion to disagree.

Mr. PAYNE. Mr. Speaker, I ask that Senate amendment No. 13 be reported.

The Clerk read the amendment, as follows:

(13) SEC. 12. That a board is hereby created, to be known as the Tariff Board, which shall be composed of five members, who shall be appointed by the President, by and with the advice and consent of the Senate. The members first appointed under this act shall continue in office from the date of qualification for the terms of two, three, four, five, and six years, respectively, from and after the first day of October, A. D. 1912, the term of each to be designated by the President; but their successors shall be appointed for terms of six years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate a member of the board to be the chairman thereof during the term for which he is appointed. Any member may, after due hearing, be removed by the President for inefficiency, neglect of duty, or malfeasance in office. Not more than three members of said board shall be members of the same political party. Three members of said board shall constitute a quorum. The chairman of said board shall receive a salary of \$7,500 per annum and the other members each a salary of \$7,000 per annum. The board shall have authority to appoint a secretary and fix his compensation, and to appoint and fix the compensation of such other employees as it may find necessary to the performance of its duties.

That the principal office of said board shall be in the city of Washington. The board, however, shall have full authority, as a body, by one or more of its members, or through its employees, to conduct investigations at any other place or places, either in the United States or foreign countries, as the board may determine. All the expenses of the board, including all necessary expenses for transportation incurred by the members or by their employees under their orders, in making any investigations, or upon official business in any other places than in Washington, shall be allowed and paid on the presentation of itemized vouchers therefor, approved by the chairman of the board. Should said board require the attendance of any witness, either in Washington or any place not the home of said witness, said witness shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

That it shall be the duty of said board to investigate the cost of production of all articles which by any act of Congress now in force or hereafter enacted are made the subject of tariff legislation, with special reference to the prices paid domestic and foreign labor and the prices paid for raw materials, whether domestic or imported, entering into manufactured articles, producers' prices and retail prices of commodities, whether domestic or imported, the cost of transportation from the place or places of production to the principal areas of consumption, the condition of domestic and foreign markets affecting the American products, including detailed information with respect thereto, together with all other facts which may be necessary or convenient in fixing import duties or in aiding the President and other officers of the Government in the administration of the customs laws, and said board shall also make investigation of any such subject whenever directed by either House of Congress.

That to enable the President to secure information as to the effect of tariff rates, restrictions, exactions, or any regulations imposed at any time by any foreign country upon the importation into or sale in any such foreign country of any products of the United States, and as to any export bounty paid or export duty imposed or prohibition made by any country upon the exportation of any article to the United States

which discriminates against the United States or the products thereof, and to assist the President in the application of the maximum and minimum tariffs and other administrative provisions of the customs laws, the board shall, from time to time, make report, as the President shall direct.

That for the purposes of this act said board shall have power to subpoena witnesses, to take testimony, administer oaths, and to require any person, firm, copartnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation to produce books and papers relating to any matter pertaining to such investigation. In case of failure to comply with the requirements of this section, the board may report to Congress such failure, specifying the names of such persons, the individual names of such firm or copartnership, and the names of the officers and directors of each such corporation or association so failing, which report shall also specify the article or articles produced, imported, or distributed by such person, firm, copartnership, corporation, or association, and the tariff schedule which applies to such article.

That in any investigation authorized by this act the board may obtain such evidence or information as it may deem advisable, but said board shall not be required to divulge the names of persons furnishing such evidence or information; and no evidence or information so secured under the provisions of this section from any person, firm, copartnership, corporation, or association shall be made public by said board in such manner as to be available for the use of any business competitor or rival.

That said board shall submit the results of its investigations, as heretofore provided, including all testimony, together with any explanatory report of the facts so ascertained, to the President or to either House of Congress, from time to time, when called upon by the President or either House of Congress.

That upon the taking effect of this act the body now known as the Tariff Board shall transfer to the Tariff Board hereby created all such property and equipment, books and papers as are now possessed or used by said first-mentioned board in connection with the subjects for which the Tariff Board is hereby created, and thereupon the said first-mentioned board shall cease to exist.

Mr. PAYNE. Mr. Speaker, I move that the House concur in the Senate amendment; and if no gentleman desires to speak—

Mr. LONGWORTH. I should like to ask the gentleman a question. Will the gentleman yield?

Mr. PAYNE. I will.

Mr. LONGWORTH. I desire to know if this amendment is in the same language as the bill that passed the Senate on the 3d of last March and came over to the House and was beaten in the closing days of the session?

Mr. PAYNE. It is substantially the same bill, but not exactly. There is a provision in this which I think was not in the bill to which the gentleman refers. That provision is that the board shall report to either House of Congress.

Mr. LONGWORTH. That was in that bill.

Mr. PAYNE. Then I think it is substantially the same bill.

Mr. LONGWORTH. It is the Tariff Board bill.

Mr. PAYNE. Yes.

Mr. UNDERWOOD. Mr. Speaker, I desire to occupy the time of the House but five minutes.

I wish to say to the House that this amendment placed on the excise bill is an amendment to enact into law the Tariff Board provision that the House has voted on several times before. It is to enact into law the same Tariff Board provision that was proposed in the last Congress, practically, and that has been proposed in this Congress.

I have an objection to this legislation, and had the same objection to the proposal to repeal the Canadian reciprocity treaty being included in this excise tax bill. The excise bill has been agreed to by the Senate. It has been agreed to by this House. It is the greatest piece of remedial legislation for the benefit of the masses of the American people that has been passed in a quarter of a century. [Applause on the Democratic side.]

It proposes to put fifty million or sixty million dollars of the burdens of taxation on the wealth of the country, and to enable the Congress to remove it from the backs of the American people. [Applause.] I think if you had voted a few minutes ago to put a provision in this bill to repeal the Canadian reciprocity pact, you would have sent the bill to the President of the United States expecting a veto as soon as it got there. You would have rung its death knell before you sent it from your hands, and I do not think we ought to jeopardize this bill by putting any amendments on it that are foreign to the real purpose of this act.

In the next place the Senate, under the Constitution of the United States, has no right to originate tariff legislation. This is a proposition that is not germane to the original bill, that has no right on it and no place on it. The gentlemen on that side of the House who believe in a Tariff Board, if they are honest and earnest on that question, have a fair forum in which to fight their battles. They have their proposition on the sundry civil bill to-day. They can fight it out on the sundry civil bill, which is one of the great supply bills of this country. They do not need to jeopardize this great excise-tax bill by trying to complicate its provisions by putting upon it amendments to which they know this side of the House can not agree.

As to the Tariff Board proposition itself, this side of the House has met that issue fairly, and its proposition on that subject will become a law. When the legislative bill was before the House we provided for a bureau of domestic and foreign commerce in the Department of Commerce and Labor. That amendment was adopted by the House, and I understand it stands in the bill ratified by the Senate. In that provision for a bureau of domestic and foreign commerce is a paragraph authorizing the bureau to do absolutely all the investigation that is provided for in this bill and providing that it shall report to Congress.

Mr. GILLETTE. Mr. Speaker, will the gentleman yield?

Mr. UNDERWOOD. Yes.

Mr. GILLETTE. In that provision was there any larger appropriation given than always has been given for the performance of the functions of the Bureau of Manufactures? Therefore, is there any way for it to do any tariff work?

Mr. UNDERWOOD. There is no appropriation in this proposition at all; and as to the appropriation, it must go to the gentleman's committee anyhow to get the money. The Committee on Ways and Means have no control of appropriations.

Mr. GILLETTE. But the provision which the gentleman speaks of does not make any appropriation at all, beyond such as has always been given for the Bureau of Manufactures.

Mr. UNDERWOOD. But it puts the law there, and when the Secretary calls on Congress for the appropriation I have no doubt it will be given. This provision could not work unless Congress gave the money, so there is nothing in that contention at all. But the gentleman from Massachusetts [Mr. Gillette] knows, because he is on the conference committee, that my statement is correct when I say that in that bill there is a provision, put there by this Democratic House, authorizing as full and as ample investigation as to all facts on which a tariff bill could be written as is provided in this amendment. It provides that the report shall be made to this House, and there is no reason for your adopting this amendment unless you want to jeopardize the passage and the approval of an honest bill. [Applause on the Democratic side.]

Mr. MANN. Mr. Speaker, the provision in the legislative appropriation bill referred to by the gentleman from Alabama was not an extension of authority to make investigations, but was a restriction of existing authority. It provided for one bureau instead of two that now exist, and instead of increasing the chance to obtain information it decreases the opportunity. The gentleman's excuse for opposing this amendment is the most peculiar excuse that he has ever been called upon to make. With the Senate in favor of the proposition, with the President of the United States known to be in favor of it, he says the House should disagree to the amendment for fear that by agreeing to it we will jeopardize the bill. [Applause on the Republican side.]

Mr. UNDERWOOD. The gentleman from Illinois misunderstood my statement. I said that it was put on here for the purpose of jeopardizing this bill; that the man who placed it on here knew that this side of the House was opposed to the passage of it. [Applause on the Democratic side.]

Mr. MANN. But no gentleman on the other side of the House can excuse himself for voting against the amendment on the ground that it may jeopardize the bill. If that side of the House to-day, with the opportunity before it, agrees to this amendment, the final approval of the President of the United States is already written upon the law. [Applause on the Republican side.] Gentlemen over there are jeopardizing the bill by refusing to accept a proposition which the gentleman from Alabama [Mr. Underwood] himself only a year ago favored in the Committee on Ways and Means and in the House. It is the same proposition reported from the Committee on Ways and Means in the last Congress by a unanimous vote. [Applause on the Republican side.] But now the gentleman is afraid of his own shadow, afraid he will jeopardize the bill by adding an amendment to it that all Republicans are in favor of.

Mr. UNDERWOOD. I should like to ask the gentleman a question. The gentleman is the leader of the Republicans. He is the mouthpiece, or should be, of the administration. I want to ask him if we agree to put this amendment No. 12, repealing the Canadian reciprocity, onto this excise tax bill, does the gentleman from Illinois believe the President of the United States would sign it?

Mr. MANN. We have disposed of that amendment. [Laughter on the Democratic side.] That is a last year's bird's nest. The gentleman hides behind that amendment in an endeavor to defeat this amendment. I do not wonder that he is afraid to meet the issue on this amendment, and seeks to divert attention to the other amendment. This amendment is now before the House.



Mr. UNDERWOOD. But the gentleman has not yet answered my question.

Mr. MANN. And if the gentlemen on that side of the aisle are in favor of a tariff board, let them vote for this amendment. If they are opposed to a tariff board, let them vote against the amendment.

Mr. UNDERWOOD. But the gentleman has not yet answered my question. I am inquiring for information, and I am going to the source of authority.

Mr. MANN. I do not know, if that is what the gentleman wants to know. But if the gentleman desires to advance the passage of this bill, if he wants to make it so that Republicans can support and defend it, so that a Republican President can approve it, so that a Republican Senate will agree to it, let him yield now his fear and go back to where he stood a year ago and vote for the proposition which he then favored and which we all now favor. [Applause on the Republican side.]

The SPEAKER. The question is on the motion of the gentleman from New York to concur in the Senate amendment.

Mr. PAYNE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 99, nays 130, answered "present" 8, not voting 153, as follows:

## YEAS—99.

Anderson, Minn.	Greene, Mass.	McKinney	Smith, Saml. W.
Austin	Griest	McLaughlin	Speer
Barchfield	Hammond	McMorran	Steenerson
Bartholdt	Hanna	Mann	Stephens, Cal.
Berger	Hawley	Miller	Sterling
Bowman	Heald	Mondell	Stevens, Minn.
Burke, S. Dak.	Helgesen	Moore, Pa.	Sulloway
Burke, Wis.	Howland	Morrison	Sweet
Calder	Hughes, W. Va.	Moss, Ind.	Switzer
Cannon	Humphrey, Wash.	Mott	Talcott, N. Y.
Copley	Kahn	Needham	Taylor, Ohio
Crago	Kendall	Norris	Tilson
Crumpacker	Kennedy	Patton, Pa.	Towner
Corry	Kent	Payne	Utter
Davis, Minn.	Kinkaid, Nebr.	Pickett	Vare
Donohoe	Kinkead, N. J.	Plumley	Volstead
Doremus	Knowland	Pray	Wedemeyer
Foss	Lafean	Prince	Whitacre
French	La Follette	Prouty	White
Fuller	Lee, Pa.	Rees	Willis
Gardner, Mass.	Lenroot	Roberts, Mass.	Wilson, Ill.
Gardner, N. J.	Lindbergh	Rodenberg	Woods, Iowa
Gillett	Longworth	Sells	Young, Kans.
Goff	McCreary	Simmons	Young, Mich.
Green, Iowa	McKinley	Sloan	

## NAYS—130.

Adair	Dixon, Ind.	Howard	Rauch
Adamson	Doughton	Hull	Relly
Akin, N. Y.	Driscoll, D. A.	Humphreys, Miss.	Rothermel
Alexander	Estopinal	Jacoway	Rouse
Allen	Evans	James	Rubey
Anderson, Ohio	Fergusson	Johnson, Ky.	Rucker, Colo.
Ansberry	Finley	Johnson, S. C.	Russell
Ashbrook	Flood, Va.	Kitchin	Shackleford
Bathrick	Floyd, Ark.	Konig	Sharp
Beall, Tex.	Foster	Korbly	Sims
Blackmon	Fowler	Lee, Ga.	Sisson
Boehne	Francis	Linthicum	Small
Buchanan	Gallagher	Littlepage	Smith, Tex.
Bulkley	George	Lloyd	Stanley
Burleson	Godwin, N. C.	Lobeck	Stedman
Burnett	Goeke	McCoy	Stephens, Nebr.
Byrns, Tenn.	Goodwin, Ark.	McDermott	Stephens, Tex.
Candler	Graham	McKellar	Stone
Carlin	Gray	Maguire, Nebr.	Sulzer
Carter	Gregg, Pa.	Maher	Taggart
Claypool	Gregg, Tex.	Martin, Colo.	Taylor, Colo.
Clayton	Gudger	Murray	Thayer
Cline	Hamlin	Neeley	Townsend
Connell	Hardy	Oldfield	Tribble
Conry	Harrison, Miss.	O'Shaunessy	Tuttle
Cox, Ind.	Harrison, N. Y.	Padgett	Underwood
Cravens	Hay	Page	Watkins
Cullop	Hayden	Pepper	Webb
Curley	Hefflin	Post	Wilson, Pa.
Davis, W. Va.	Henry, Tex.	Pou	Witherspoon
Dent	Hensley	Rainey	The Speaker
Dickinson	Holland	Raker	
Difenderfer	Houston	Ransdell, La.	

## ANSWERED "PRESENT"—8.

Brantley	Butler	Hill	Parran
Browning	Dwight	Mays	Sparkman

## NOT VOTING—153.

Aiken, S. C.	Brown	Currier	Dyer
Ainey	Burgess	Dalzell	Edwards
Ames	Burke, Pa.	Danforth	Ellerbe
Andrus	Byrnes, S. C.	Daugherty	Esch
Anthony	Callaway	Davenport	Fairchild
Ayres	Campbell	Davidson	Faison
Barnhart	Cantrill	De Forest	Farr
Bartlett	Cary	Denver	Ferris
Bates	Catlin	Dickson, Miss.	Fields
Bell, Ga.	Clark, Fla.	Dies	Fitzgerald
Booher	Collier	Dodds	Focht
Borland	Cooper	Draper	Fordney
Bradley	Covington	Driscoll, M. E.	Fornes
Broussard	Cox, Ohio	Dupré	Garner

Garrett	Kopp	Morgan	Sherley
Glass	Lafferty	Morse, Wis.	Sherwood
Goldfogle	Lamb	Murdock	Slayden
Gould	Langham	Nelson	Slomp
Guernsey	Langley	Nye	Smith, J. M. C.
Hamill	Lawrence	Olmsted	Smith, Cal.
Hamilton, Mich.	Legare	Palmer	Smith, N. Y.
Hamilton, W. Va.	Lever	Patten, N. Y.	Stack
Hardwick	Levy	Peters	Stephens, Miss.
Harris	Lewis	Porter	Talbot, Md.
Hartman	Lindsay	Powers	Taylor, Ala.
Haugen	Littleton	Pujo	Thistlewood
Hayes	Loud	Randell, Tex.	Thomas
Helm	McCall	Redfield	Turnbull
Henry, Conn.	McGillicuddy	Reyburn	Underhill
Higgins	McGuire, Okla.	Richardson	Vreeland
Hinds	McHenry	Riordan	Warburton
Hobson	McKenzie	Roberts, Nev.	Weeks
Howell	Macon	Robinson	Wilder
Hughes, Ga.	Madden	Roddenberry	Wilson, N. Y.
Hughes, N. J.	Martin, S. Dak.	Rucker, Mo.	Wood, N. J.
Jackson	Matthews	Sabath	Young, Tex.
Jones	Moore, Pa.	Saunders	
Kindred	Moon, Tenn.	Scully	
Konop	Moore, Tex.	Sheppard	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he answered "No."

So the motion to concur was rejected.

Mr. SLAYDEN. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman in the Hall and listening when his name was called?

Mr. SLAYDEN. No.

The SPEAKER. The gentleman does not bring himself within the rule.

The Clerk announced the following additional pairs:

Until further notice:

Mr. SLAYDEN with Mr. MATTHEWS.

Mr. ROBINSON with Mr. DRAFER.

Mr. LEVER with Mr. HENRY of Connecticut.

Mr. KINDRED with Mr. HIGGINS.

Mr. HAMILL with Mr. LAFFERTY.

Mr. COLLIER with Mr. KOPP.

Mr. BOOHER with Mr. SMITH of California.

Mr. SABATH with Mr. FARR.

Mr. LAMB with Mr. HAUGEN.

Mr. PETERS with Mr. MCCALL.

On the vote:

Mr. HUGHES of New Jersey (against) with Mr. JACKSON (to concur).

The result of the vote was announced as above recorded.

The SPEAKER. The motion of the gentleman from New York to concur having been defeated, that carries with it the proposition to disagree.

Mr. UNDERWOOD. Mr. Speaker, I move to reconsider the votes and to lay that motion on the table.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. UNDERWOOD. Now, Mr. Speaker, I move the House ask for a conference with the Senate on the disagreeing votes on the excise bill.

The SPEAKER. The gentleman from Alabama moves that the House ask for a conference on the excise bill.

The motion was agreed to.

The SPEAKER announced the following conferees:

Mr. UNDERWOOD, Mr. HULL, Mr. PALMER, Mr. PAYNE, and Mr. MCCALL.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. CRAVENS, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 18041. An act granting a franchise for the construction, maintenance, and operation of a street railway system in South Hilo, county of Hawaii, Territory of Hawaii; and

H. R. 16518. An act for the relief of the Fifth-Third National Bank of Cincinnati, Ohio.

## ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 127. Joint resolution authorizing the Secretary of War to supply tents and rations to American citizens compelled to leave Mexico.

## SUGAR SCHEDULE.

Mr. UNDERWOOD. Mr. Speaker, under the unanimous-consent agreement of last evening I ask to take from the Speaker's table the sugar bill for present consideration in the House.

The SPEAKER. The gentleman from Alabama asks for the present consideration of the sugar bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 21213) to amend an act entitled "An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," approved August 5, 1909.

The SPEAKER. The gentleman from Alabama asks unanimous consent for its present consideration.

Mr. MANN. That has already been given. I ask that the Senate amendment be read.

The SPEAKER. The Clerk will report the Senate amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert:

"That six months from and after the passage of this act there shall be levied, collected, and paid the rates of duty which are prescribed in the paragraphs of this act upon the articles hereinafter enumerated, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands and the islands of Guam and Tutuila), and the said paragraphs and sections shall constitute and be a substitute for paragraphs 216 and 217 of section 1 of an act entitled 'An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes,' approved August 5, 1909.

"First. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete, and concentrated molasses, testing by the polariscope not above 75° ninety-five one-hundredths of 1 cent per pound, and for each additional degree shown by the polariscope test, twenty-six one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing not above 40°, 20 per cent ad valorem; testing above 40° and not above 56°, 3 cents per gallon; testing above 56°, 6 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscope test: *Provided*, That every bag, barrel, or parcel in which sugar testing by the polariscope less than 99° is packed shall be plainly branded by the manufacturer or refiner thereof with the name of such manufacturer or refiner, and the polariscope test of the sugar therein contained, accurately within one-half of 1°, and a failure to brand any such bag, barrel, or parcel as herein required shall be deemed and taken to be a misbranding of food within the meaning of the act of June 30, 1906, entitled 'An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes.' And the requirements of this proviso shall not apply to any sugar shipped or delivered to a refiner to be refined before entering into consumption.

"Second. Maple sugar and maple sirup, 4 cents per pound; glucose or grape sugar, 13 cents per pound; sugar cane in its natural state or unmanufactured, 20 per cent ad valorem; sugar cane defecated, shredded, artificially dried, or which has been subjected to any manufacturing or other process, 50 per cent ad valorem.

"Third. That nothing in this act contained shall be so construed as to abrogate or in any manner impair or affect the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on the 11th day of December, 1902, or the provisions of the act of Congress heretofore passed for the execution of the same, and that upon the taking effect of this act all acts and parts of acts in conflict with the provisions hereof shall be repealed."

Mr. PAYNE. Mr. Speaker, I move that the House concur in the Senate amendment.

The SPEAKER. The gentleman from New York moves that the House concur in the Senate amendment.

Mr. UNDERWOOD. Mr. Speaker, I have not a print of the bill before me, but I understand there is but one Senate amendment.

Mr. PAYNE. That is all.

The SPEAKER. That seems to be the case.

Mr. UNDERWOOD. Is that correct?

The SPEAKER. That is correct.

Mr. UNDERWOOD. Does the gentleman from New York desire to consume some time?

Mr. PAYNE. Mr. Speaker, I desire to use about five minutes. The bill has not been printed, except in the Record, and I think a word or two in regard to the changes that have been made will not be amiss. The bill eliminates the Dutch standard of test of sugar. Dr. Wiley testified not long since that for 20 years this test of the Dutch standard in color had not been used and had gone into an innocuous desuetude, and it made no difference whether it was used or not. On the contrary, there are some gentlemen who believe, with this test of color, there will come into use again what many of us remember from our boyhood days—an article of bright yellow sugar—that was bought by the farmers of the country, the mechanics, and so forth, and used in the family and took the place of the present white sugar. I remember when Gov. Gear was a member of the Committee on Ways and Means, when we were making the McKinley bill. He had a great deal to say in regard to restoring this sugar so that it might be purchased by the people of the country at a lower price than after going through the process of refining. Gentlemen believe this will restore that sugar to commerce of the country and consumption. If it does so, of course it would cheapen the price of sugar, and in order that people may know what kind of sugar they are buying when it is not refined, there is a provision in this bill that all packages containing sugar under 99 degrees of purity shall be labeled under the pure-food act, and that the penalties under that act shall apply so that the people of the country may know what sort of sugar they

are buying and the degree of purity of that sugar. That becomes quite necessary, of course, if this sugar goes into use. This is not required for the sugar going into the refineries, because there is no necessity for it, and, of course, that will save money in the cost of refining the sugar. Some people believe it will save a good deal to the consumer. My faith is a little weak, but I am willing to accept that; and certainly there should be a difference in this sugar from that which goes in the melting pots to be refined.

Of course, gentlemen know sugar is produced in this country to the extent of 900,000 tons, 600,000 of beet sugar and 300,000 of cane, and that the islands, including Hawaii, produce some 800,000 or 900,000 tons. The total of the sugar that goes into the melting pots for refining is 2,800,000 tons, and 1,800,000 tons of that sugar comes from Cuba at 20 per cent less than the duties provided for sugar coming from other countries. In 1910 74,000 tons of sugar only were imported into this country which paid the full duty coming from other foreign countries than Cuba. Last year it was 199,000 tons because of the shortage of the crop in Cuba. The domestic production in Cuba is restricted to sugar used in the United States. The present duty on sugar is ninety-five one-hundredths of a cent per pound on sugar which is 75 degrees and less, with an additional duty for each additional degree of purity of thirty-five one-thousandths of 1 cent per pound; or, to put it down in English, 95 cents a hundred pounds and 3½ cents additional for each additional degree of sugar over 75 degrees. This amendment fixes the duty of 95 cents a hundred pounds of the 75-degree sugar and adds 2.6 cents per hundred pounds for every additional degree, so that the duty on sugar of 99 or 100 degrees would be 1.60 per hundred pounds. Now it is 1.90, so with that degree of purity of sugar 30 cents a hundred pounds is the reduction.

The SPEAKER. The time of the gentleman has expired.

Mr. PAYNE. I will have to ask five minutes more.

The SPEAKER. Is there objection to the request for the extension of the gentleman's time? [After a pause.] The Chair hears none.

Mr. PAYNE. Mr. Speaker, I have never been able to understand why a majority of the Committee on Ways and Means are seeking to separate the United States from all other civilized countries in the world by their endeavor to remove the duty on sugar and provide a revenue in some other way different from all other civilized countries. Every other civilized country has a revenue duty on sugar. Great Britain has 40 cents per hundred pounds, Denmark \$1.22 per hundred pounds, and other countries have a larger duty than the United States under the present law.

It has always been recognized by economists as a splendid revenue duty, and never has it been departed from except for a short time under the McKinley bill, and under these circumstances and because the tariff revenue laws were producing such an immense amount of revenue that we had bought up all the bonds in sight in order to dispose of it, and were depositing the surplus of the Treasury in the national banks, and there was a great hue and cry over these accumulating deposits, and we were seeking to reduce the revenue, we took the duty off of sugar and protected the interest by a bounty in 1890. I think that that was a mistake. I am perfectly willing to acknowledge it when I discover that I have made a mistake. I voted for that, but I think it was a mistake economically and politically. It was a mistake as a public matter and a public question.

Now this committee takes off the duty on sugar entirely after we have increased the production of beet sugar from some 18,000 tons in 1890, when the McKinley bill was passed, to 606,000 tons under the protection that sugar has enjoyed since. We have reached that point where we can see clearly that in a few years we can produce all the sugar used in the United States in our own domestic industries and our possessions. We can now produce it all in our own domestic industries and our islands, except with the addition of the sugar that comes from Cuba at a lower rate of duty. There was no one demanding that the duty be taken off of the sugar except the sugar refiners, and they were very honest and frank about it. They said they wanted it because they wanted to destroy the beet-sugar industry. Why? That came into market for three months in the year and interfered with their markets in the Mississippi Valley. They marketed that "beet sugar right in our markets," as these refiners said, and they marketed it at a lower price, and consequently it cut down the price of the refined sugar, and it cut off the profits. So they were the ones who were asking before the Hardwick committee that the duty should be reduced or taken off of sugar entirely, just as they asked three years ago from the committee over which I had the honor to preside. They wanted it all taken off. Then they could get along without



any differential duty on refining. This bill takes off 7½ cents a hundred, the differential duty now that the refiner has had to protect him in the process of refining. He does not need it. The amendment takes it off, and I hope the amendment will be adopted.

The SPEAKER. The time of the gentleman from New York has expired.

The SPEAKER. The question is on agreeing to the amendment.

Mr. PAYNE. Mr. Speaker, I ask for the yeas and nays.

Mr. UNDERWOOD. Mr. Speaker, the gentleman from Wisconsin [Mr. LENROOT] wants five minutes.

The SPEAKER. The gentleman from Wisconsin is recognized for five minutes.

Mr. LENROOT. Mr. Speaker, if the Democratic majority desired tariff legislation for the purpose of relieving taxation of the American people, they would vote to concur in this amendment now. They have no such desire, however. It has been made plain that their pressing of tariff legislation is for political purposes only, and it has been made especially plain to-day by the remarks of the gentleman from New York [Mr. HARRISON], concerning which I want to make a few comments.

He stated very frankly—I commend him for his candor and I have no doubt that he spoke for a majority of the Members on that side of the aisle—that he was not in favor of any tariff legislation going to the President of the United States unless that legislation was framed according to Democratic principles. Now, the gentleman knows that any tariff legislation going to the President of the United States based upon a tariff for revenue only will meet with a presidential veto, and the gentleman stated that he preferred to wait until after the 4th of next March before seriously attempting any tariff revision, because then he could secure the legislation squarely along Democratic lines. Now, I want to ask the other side, Mr. Speaker, if that is so, why they have pressed this legislation at all. [Applause on the Republican side.] Can they claim that they have been in good faith in doing so? Why was this bill reported out from the Committee on Ways and Means if they are in good faith and if the gentleman from New York spoke for the Democratic majority? He knows that unless this bill goes to the President carrying protective duties it will meet with a veto, and he knows that any bill meeting with a veto denies any relief to the American people. So, Mr. Speaker, those of us upon this side of the aisle who are in favor of real tariff revision propose by their votes this afternoon to say that we intend to reduce the cost of living to the American people now, while you gentlemen on the other side propose to wait until next year. [Applause on the Republican side.]

Now, Mr. Speaker, the gentleman made another statement. He said that it was the consumers and not the producers of the country that sent the Democratic majority here. Mr. Speaker, I know of but two classes of people in this country who are not producers but are consumers only. They are the idle rich and the hoboos, concerning whom my friend from Illinois [Mr. FOWLER] has often spoken so very eloquently [applause on the Republican side], and it was a matter of considerable surprise to me to have the gentleman from New York [Mr. HARRISON] assert that it was those classes—the idle rich and the hobo—that furnished the Democratic majority upon that side of the aisle. [Applause on the Republican side.] But, Mr. Speaker, we must remember that the gentleman comes from the great city of New York, and he is unfair to the Democratic Party in the country as a whole, because I know a great many good Democrats who are neither idle rich or hoboos.

But, Mr. Speaker, one other illustration to show the attitude of the Democratic Party. Nearly two months ago we had a steel schedule come back to this House with a reciprocity repeal attached to it.

There was an opportunity for you upon that side of the aisle—if you are sincere in wanting tariff revision now—to have concurred in that Senate amendment. It has gone into conference, and has been sleeping there for 60 days, and will sleep there until the end of the session; and you on that side of the aisle have now made a record of the fact that you prefer these high tariff duties upon steel products rather than to repeal reciprocity. You are wedded to the reciprocity issue, but you will find next November that as to many, many of you on that side of the aisle you will wish you could forget it. [Applause on the Republican side.]

Mr. UNDERWOOD. Mr. Speaker, unless some gentleman on that side of the House desires to speak, I would like to ask unanimous consent to close debate in five minutes.

The SPEAKER. The gentleman from Alabama [Mr. UNDERWOOD] asks unanimous consent that the debate be closed in five

minutes. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. UNDERWOOD. Mr. Speaker, the proposition that is pending before the House is a Senate amendment to a House bill that places sugar on the free list and will give to the American people a reduction of practically 2 cents a pound on sugar. In place of that the Senate sends back to the House an amendment removing the Dutch standard and the differential from the present sugar schedule and reducing the present tariff tax on sugar from \$1.90 a hundred pounds to \$1.60 a hundred pounds.

Now, Mr. Speaker, the only way in which you can reduce the price of sugar is to produce competition, and I am satisfied in my own mind and from the testimony of everybody that I have heard on this subject that the reduction of this rate in this bill from \$1.90 to \$1.60 would not bring about that competition which would reduce the price of sugar to the American people. And yet the Senate bill will cost the Treasury of the United States \$5,500,000 annually in loss of revenue.

Now, why should we incur a loss of \$5,500,000 of revenue to the Treasury that will go into the coffers of the sugar refiners, and nobody else, unless you are going to reduce the price of sugar to the American consumer?

I am not in favor of the Senate bill. I do not think that any man that is in favor of a real reduction in the cost of living to the American people can stand for this bill under any circumstances. You pass this bill and let it become a law, and what will be the result? Before 60 days have passed you will find that sugar is selling to your constituents at the same price as it is to-day, and you will have given to the refiners of sugars in this country \$5,500,000 out of the Treasury of the United States.

That is the legislation that the gentleman from New York [Mr. PAYNE] and the gentleman from Wisconsin [Mr. LENROOT] want you to agree to. [Applause on the Democratic side.] If you are going to deprive the Government of the United States of its revenue, then I say do it in such a way that the American people will get the benefit of the reduction. [Applause on the Democratic side.]

Do not let us go to the country with any subterfuge. Let us make an honest reduction. If you agree to the bills that we have passed, that we have offered to a Republican Senate, we will relieve the American people of \$115,000,000 of burden that rests on them to-day by reason of this sugar tax [applause on the Democratic side], and we will put in place of it an excise-tax bill that will raise \$60,000,000 and more than compensate the Treasury for the loss of the tax that we remove from sugar. We remove that tax of \$115,000,000 from the American people and the consuming masses of the American people, and we place that tax on the wealth of this country, that can well bear the burden. [Applause on the Democratic side.]

That is the issue which the gentlemen on that side of the House ask you to-day to compromise. Can you go to your constituents with a compromise of that kind?

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield for a question at that point?

The SPEAKER. Does the gentleman yield?

Mr. UNDERWOOD. I do.

Mr. LONGWORTH. Is it not a fact that all but two of the gentleman's own party voted for this precise proposition in the Senate?

Mr. UNDERWOOD. I do not know what the vote in the Senate is, or was, and I am not responsible for it.

Mr. COX of Indiana. And you do not care.

Mr. UNDERWOOD. I know what the vote of this House is, and this House represents the only Democratic body that is in authority in this Government. [Applause on the Democratic side.]

I want to say to the gentleman from Ohio [Mr. LONGWORTH] that this sugar bill that was passed by this House and this excise bill have met the approval of the Democratic Party in its convention. In the highest tribunal of the party these bills have received the approval of the Democratic masses of the people. [Applause on the Democratic side.]

Mr. LONGWORTH. Do I understand that the Members of the gentleman's party in the other body are out of touch with the Democratic sentiment in this country?

Mr. UNDERWOOD. I am not responsible for their action. I am not here to speak for them, but I am here to speak for the Democratic Party in this House on this question. [Applause on the Democratic side.] And I say that it would be a repudiation of the promises that we have made to the people, as confirmed by our convention, unless we insisted that the relief that we have demanded for the American people should be honestly carried out. [Applause on the Democratic side.]

The SPEAKER. The time of the gentleman has expired. The question is on concurring in the Senate amendment.

Mr. PAYNE. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 84, nays 144, answered "present" 7, not voting 155, as follows:

## YEAS—84.

Anderson, Minn.	Hanna	McLaughlin	Sloan
Austin	Hawley	McMorran	Smith, Saml. W.
Barchfeld	Heald	Mann	Speer
Bowman	Helgesen	Miller	Steenerson
Burke, S. Dak.	Howland	Mondell	Stephens, Cal.
Calder	Hughes, W. Va.	Moore, Pa.	Stirling
Cannon	Humphrey, Wash.	Mott	Stevens, Minn.
Copley	Kahn	Needham	Sulloway
Crago	Kendall	Norris	Sulzer
Davis, Minn.	Kennedy	Patton, Pa.	Switzer
Focht	Kent	Payne	Taylor, Ohio
Foss	Kinkaid, Nebr.	Pickett	Tilson
French	Knowland	Plumley	Towner
Gardner, Mass.	Lafan	Pray	Utter
Gardner, N. J.	Lafferty	Prouty	Vare
Gillett	La Follette	Rees	Wedemeyer
Good	Lenroot	Roberts, Mass.	Willis
Green, Iowa	Longworth	Rodenberg	Wilson, Ill.
Greene, Mass.	McCreary	Rucker, Colo.	Woods, Iowa
Griest	McKinley	Sells	Young, Kans.
	McKinney	Simmons	Young, Mich.

## NAYS—144.

Adair	Dixon, Ind.	Houston	Rainey
Adamson	Donohoe	Howard	Raker
Akin, N. Y.	Doremus	Hull	Ransdell, La.
Alexander	Doughton	Humphreys, Miss.	Rauch
Allen	Driscoll, D. A.	Jacoway	Reilly
Anderson, Ohio	Estopinal	James	Robinson
Ansberry	Evans	Johnson, Ky.	Rothermel
Ashbrook	Fergusson	Johnson, S. C.	Rouse
Bathrick	Finley	Jones	Rube
Beall, Tex.	Flood, Va.	Kinkaid, N. J.	Russell
Blackmon	Floyd, Ark.	Kitchin	Shackleford
Boehne	Foster	Konig	Sharp
Brantley	Fowler	Korbly	Sims
Broussard	Francis	Lee, Ga.	Sisson
Buchanan	Gallagher	Lee, Pa.	Slayden
Bulkley	George	Lindbergh	Small
Burke, Wis.	Godwin, N. C.	Linthicum	Smith, Tex.
Burleson	Goeke	Littlepage	Stanley
Burnett	Goodwin, Ark.	Lloyd	Stedman
Byrns, Tenn.	Graham	Lobeck	Stephens, Nebr.
Candler	Gray	McCoy	Stephens, Tex.
Carlin	Gregg, Pa.	McDermott	Stone
Carter	Gregg, Tex.	McKellar	Sweet
Claypool	Gudger	Maguire, Nebr.	Talcott, N. Y.
Clayton	Hamill	Maher	Taylor, Colo.
Cline	Hamlin	Martin, Colo.	Thayer
Connell	Hammond	Morrison	Townsend
Conry	Hardy	Moss, Ind.	Tribble
Cox, Ind.	Harrison, Miss.	Murray	Tuttle
Cravens	Harrison, N. Y.	Neeley	Underwood
Cullop	Hay	Oldfield	Watkins
Curley	Hayden	Padgett	Whitacre
Davis, W. Va.	Heflin	Page	White
Dent	Henry, Tex.	Pepper	Wilson, Pa.
Dickinson	Hensley	Post	Witherspoon
Difenderfer	Holland	Pou	The Speaker

## ANSWERED "PRESENT"—7.

Browning	Dwight	Mays	Volstead
Butler	Hill	Parran	

## NOT VOTING—155.

Aiken, S. C.	Dickson, Miss.	Jackson	Prince
Alney	Dies	Kindred	Pujo
Ames	Dodds	Konop	Randall, Tex.
Andrus	Draper	Kopp	Redfield
Anthony	Driscoll, M. E.	Lamb	Reyburn
Ayres	Dupré	Langham	Richardson
Barnhart	Dyer	Langley	Riordan
Bartholdt	Edwards	Lawrence	Roberts, Nev.
Bartlett	Ellerbe	Legare	Roddenbery
Bates	Esch	Lever	Rucker, Mo.
Bell, Ga.	Fairchild	Levy	Sabath
Berger	Falson	Lewis	Saunders
Boher	Farr	Lindsay	Scully
Borland	Ferris	Littleton	Sheppard
Bradley	Fields	Loud	Sherley
Brown	Fitzgerald	McCall	Sherwood
Burgess	Fordney	McGillicuddy	Slemp
Burke, Pa.	Fornes	McGuire, Okla.	Smith, J. M. C.
Byrnes, S. C.	Garner	McHenry	Smith, Cal.
Callaway	Garrett	McKenzie	Smith, N. Y.
Campbell	Glass	Macon	Sparkman
Cantrill	Goldfogle	Madden	Stack
Cary	Gould	Martin, S. Dak.	Stephens, Miss.
Catlin	Guernsey	Matthews	Taggart
Clark, Fla.	Hamilton, Mich.	Moon, Pa.	Talbot, Md.
Collier	Hamilton, W. Va.	Moon, Tenn.	Taylor, Ala.
Cooper	Hardwick	Moore, Tex.	Thistlewood
Covington	Harris	Morgan	Thomas
Cox, Ohio	Hartman	Morse, Wis.	Turnbull
Crumppacker	Haugen	Murdock	Underhill
Currier	Hayes	Nelson	Vreeland
Curry	Helm	Nye	Warburton
Dalzell	Henry, Conn.	Olmsted	Webb
Danforth	Higgins	O'Shaunessy	Weeks
Daugherty	Hinds	Palmer	Wilder
Davenport	Hobson	Patten, N. Y.	Wilson, N. Y.
Davidson	Howell	Peters	Wood, N. J.
De Forest	Hughes, Ga.	Porter	Young, Tex.
Denver	Hughes, N. J.	Powers	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he voted in the negative.

So the motion of Mr. PAYNE to concur in the Senate amendments was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. SAUNDERS with Mr. CURRY.

Mr. O'SHAUNESSY with Mr. PRINCE.

Mr. REDFIELD with Mr. BARTHOLDT.

On this vote:

Mr. COVINGTON (against) with Mr. ESCH (to concur).

Mr. HUGHES of New Jersey (against) with Mr. JACKSON (to concur).

For the balance of the day:

Mr. WEBB with Mr. VOLSTEAD.

The result of the vote was announced as above recorded.

The SPEAKER. The motion of the gentleman from New York [Mr. PAYNE] to concur is lost, which is equivalent to a vote to nonconcur.

On motion of Mr. UNDERWOOD, a motion to reconsider the last vote was laid on the table.

Mr. UNDERWOOD. Mr. Speaker, I move that the House ask a conference with the Senate on the disagreeing votes of the two Houses on this bill.

The motion was agreed to; and the Speaker announced as conferees on the part of the House Mr. UNDERWOOD, Mr. HARRISON of New York, Mr. KITCHIN, Mr. PAYNE, and Mr. McCALL.

## ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 56 minutes p. m.) the House adjourned until to-morrow, Wednesday, July 31, 1912, at 12 o'clock noon.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. HAY, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 99) authorizing the President to reassemble the court-martial which on August 16, 1911, tried Ralph I. Sasse, Ellicott H. Freeland, Tattall D. Simpkins, and James D. Christian, cadets of the Corps of Cadets of the United States Military Academy, and sentenced them, reported the same without amendment, accompanied by a report (No. 1116), which said bill and report were referred to the House Calendar.

Mr. HAMLIN, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 25035) granting to the Ozark Power & Water Co. authority to construct a dam across White River, Mo., reported the same without amendment, accompanied by a report (No. 1114), which said bill and report were referred to the House Calendar.

Mr. RICHARDSON, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 26007) to authorize the building of a dam across the Coosa River, in Alabama, at a place suitable to the interest of navigation about 7½ miles above the city of Wetumpka, reported the same without amendment, accompanied by a report (No. 1115), which said bill and report were referred to the House Calendar.

Mr. PEPPER, from the Committee on Military Affairs, to which was referred the bill (H. R. 8141) to further increase the efficiency of the Organized Militia of the United States, and for other purposes, reported the same with amendment, accompanied by a report (No. 1117), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII:

Mr. DICKINSON, from the Committee on Claims, to which was referred the bill (S. 3452) for the relief of Drenzy A. Jones and John G. Hopper, joint contractors for surveying Yosemite Park boundary, reported the same without amendment, accompanied by a report (No. 1113), which said bill and report were referred to the Private Calendar.

## CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 18531) granting a pension to Alloyed M. Smith and the same was referred to the Committee on Pensions.



## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HOBSON: A bill (H. R. 26043) providing for the construction, erection, maintenance, and operation of a dam across the Sipsey River, in Pickens County, Ala., for the purpose of the development of water power; to the Committee on Interstate and Foreign Commerce.

By Mr. COVINGTON: A bill (H. R. 26044) to authorize aids to navigation and other works in the Lighthouse Service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KENT: A bill (H. R. 26045) to establish a subport of entry and delivery at Fort Bragg, in the State of California; to the Committee on Ways and Means.

By Mr. CURRY: A bill (H. R. 26046) granting to the Atchison, Topeka & Santa Fe Railway Co. a right of way through the Fort Wingate Military Reservation in New Mexico, and for other purposes; to the Committee on Military Affairs.

By Mr. CURLEY: A bill (H. R. 26047) establishing compensation of certain customs officials; to the Committee on Ways and Means.

By Mr. AKIN of New York: Resolution (H. Res. 652) requesting information from the Secretary of the Interior and Secretary of Agriculture; to the Committee on Agriculture.

Also, resolution (H. Res. 653) requesting information from the Secretary of Agriculture; to the Committee on Agriculture.

## PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARCHFELD: A bill (H. R. 26048) for the relief of the estate of Richard W. Meade, deceased; to the Committee on Claims.

By Mr. CLARK of Missouri: A bill (H. R. 26049) granting an increase of pension to Joseph A. Lupton; to the Committee on Pensions.

By Mr. CRAGO: A bill (H. R. 26050) granting a pension to Lennie Anne Shunk; to the Committee on Invalid Pensions.

By Mr. KINKEAD of New Jersey: A bill (H. R. 26051) granting a pension to John Kennedy; to the Committee on Pensions.

By Mr. LEE of Pennsylvania: A bill (H. R. 26052) granting an increase of pension to Margaret L. Ramsey; to the Committee on Invalid Pensions.

By Mr. PICKETT: A bill (H. R. 26053) to correct the military record of William A. Blades; to the Committee on Military Affairs.

By Mr. RICHARDSON: A bill (H. R. 26054) for the relief of the estate of John M. Wright, deceased; to the Committee on War Claims.

By Mr. RUBEX: A bill (H. R. 26055) granting a pension to Samuel H. Barr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 26056) granting a pension to Minnie J. Cotrell; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Ohio: A bill (H. R. 26057) for the relief of Mathias Keith; to the Committee on Military Affairs.

By Mr. VOLSTEAD: A bill (H. R. 26058) granting a pension to Margaret Prescott; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CURRY: Petition of citizens within the Fort Sumner (N. Mex.) land district, favoring the withdrawal of the clause in the sundry civil appropriation bill abolishing the office of the receiver of the land office; to the Committee on Appropriations.

By Mr. FULLER: Petition of W. Adler Burfee, against passage of the Bourne parcel-post bill; to the Committee on the Post Office and Post Roads.

By Mr. HARTMAN: Petition of the St. Augustine Board of Trade, of St. Augustine, Fla., favoring passage of bill providing that powder-house lot be used as a park by the city of St. Augustine; to the Committee on Military Affairs.

By Mr. MOTT: Petition of the Board of Trade of St. Augustine, Fla., for turning over of Government property for city park; to the Committee on Military Affairs.

By Mr. SULZER: Petition of W. Atlee Burpee, of Philadelphia, Pa., against passage of the Bourne parcel-post bill; to the Committee on the Post Office and Post Roads.

Also, petition of the committee of Wholesale Grocers, New York, favoring reduction of tariff on all raw and refined sugar; to the Committee on Ways and Means.

## SENATE.

WEDNESDAY, July 31, 1912.

Prayer by the Chaplain, Rev. Ulysses G. B. Pierce, D. D.  
The Secretary proceeded to read the Journal of yesterday's proceedings.

Mr. LODGE. I ask that the further reading of the Journal be dispensed with.

Mr. CULBERSON. I object.

The PRESIDENT pro tempore. Objection is made. The reading will proceed.

The Secretary resumed the reading of the Journal.

Mr. SMOOT. I ask unanimous consent that the further reading of the Journal be dispensed with.

Mr. LODGE. Objection has been made.

The PRESIDENT pro tempore. Objection has been made to the request.

Mr. CULBERSON. I object.

The PRESIDENT pro tempore. The Journal will be read.

The Secretary resumed and concluded the reading of the Journal, and it was approved.

## RADIO COMMUNICATION (S. DOC. NO. 888).

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of Commerce and Labor submitting an estimate of appropriation in the sum of \$27,880 to carry out the laws enacted concerning radio communication and the international convention upon the subject ratified at the present session of Congress, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

## MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 5309) to amend section 3 of the act of Congress approved May 14, 1880 (21 Stat. L., 140), with amendments, in which it requested the concurrence of the Senate.

## ENROLLED JOINT RESOLUTIONS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled joint resolutions, and they were thereupon signed by the President pro tempore:

S. J. Res. 122. Joint resolution providing for the payment of the expenses of the Senate in the impeachment trial of Robert W. Archbald; and

S. J. Res. 127. Joint resolution authorizing the Secretary of War to supply tents and rations to American citizens compelled to leave Mexico.

## PETITION.

Mr. HITCHCOCK presented a petition of Local Lodge No. 349, Brotherhood of Railway Car Men of America, of South Omaha, Nebr., praying for the passage of the so-called injunction limitation bill, which was referred to the Committee on the Judiciary.

## REPORTS OF COMMITTEES.

Mr. CULLOM, from the Committee on Foreign Relations, to which was referred the bill (S. 7349) for the relief of Sargeant Prentiss Knut, administrator of the estate of Haller Knut, deceased, asked to be discharged from its further consideration and that it be referred to the Committee on Claims, which was agreed to.

Mr. SMOOT, from the Committee on Public Lands, to which was referred the bill (H. R. 19339) granting public lands to the cities of Boulder and Canon City, in the State of Colorado, for public-park purposes, reported it without amendment and submitted a report (No. 992) thereon.

He also, from the same committee, to which was referred the bill (H. R. 20498) for the relief of certain homesteaders in Nebraska, reported it with an amendment and submitted a report (No. 993) thereon.

Mr. TOWNSEND, from the Committee on Claims, to which was referred the bill (H. R. 14333) for the relief of John Johnson, reported it without amendment and submitted a report (No. 994) thereon.

He also, from the same committee, to which was referred the bill (S. 7197) for the relief of the heirs of L. A. Davis, submitted an adverse report (No. 995) thereon, which was agreed to and the bill was postponed indefinitely.

Mr. ROOT, from the Committee on Foreign Relations, to which was referred the joint resolution (S. J. Res. 123) authorizing the President of the United States to invite foreign Governments to send representatives to the Fourth International Congress on School Hygiene, reported it without amendment.